



瀾起科技股份有限公司 Montage Technology Co., Ltd.

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

Stock Code : 6809

GLOBAL OFFERING

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



Morgan Stanley



(in alphabetical order)

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



IMPORTANT

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



Montage Technology Co., Ltd.

瀾起科技股份有限公司

(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	: 65,890,000 H Shares (subject to the Over-allotment Option)
Number of Hong Kong Offer Shares	: 6,589,000 H Shares (subject to reallocation)
Number of International Offer Shares	: 59,301,000 H Shares (subject to reallocation and the Over-allotment Option)
Maximum Offer Price	: HK\$106.89 per H Share, 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% (payable in full on application in Hong Kong dollars, subject to refund)
Nominal value	: RMB1.00 per H Share
Stock code	: 6809

*Joint Sponsors, Sponsor-Overall Coordinators, Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers
(in alphabetical order)*



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



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

The Offer Price is expected to be determined by agreement between the Overall Coordinators (for itself and on behalf of the Underwriters) and us on the Price Determination Date. The Price Determination Date is expected to be on or before Thursday, February 5, 2026 (Hong Kong time) and, in any event, not later than 12:00 p.m. on Thursday, February 5, 2026 (Hong Kong time). The Offer Price will not be more than HK\$106.89 per Offer Share. If, for any reason, the Offer Price is not agreed by 12:00 p.m. on Thursday, February 5, 2026 (Hong Kong time) between the Overall Coordinators (for itself and on behalf of the Underwriters) and us, the Global Offering will not proceed and will lapse.

The Overall Coordinators, on behalf of the Underwriters, may, where considered appropriate and with the Company's consent, reduce the number of Hong Kong Offer Shares at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, an announcement will be published on the website of our Company at www.montage-tech.com and on the website of the Hong Kong Stock Exchange at www.hkexnews.hk and the offer will be canceled and relaunched at the revised number of Offer Shares in accordance with the requirements under Rule 11.13 of the Listing Rules (which include the issue of a supplemental or a new prospectus (as appropriate)) as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the day which is the last day for lodging applications under the Hong Kong Public Offering. Further details are set forth in the sections headed "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" in this Prospectus.

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement are subject to termination by the Joint Sponsors (on behalf of the Underwriters) if certain events occur prior to 8:00 a.m. on the Listing Date. Please refer to the section headed "Underwriting" in this Prospectus.

The Offer Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered, sold, pledged or transferred within the United States or to, or for the account or benefit of U.S. persons (as defined in Regulation S), except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. The Offer Shares are being offered and sold in the United States and to U.S. persons in reliance on Rule 144A, or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act, only to QIBs. The Offer Shares may be offered, sold or delivered outside the United States to non-U.S. persons in offshore transactions in accordance with Regulation S.

ATTENTION

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

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

January 30, 2026

IMPORTANT

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.montage-tech.com. If you require a printed copy of this Prospectus, you may download and print from the website addresses above.

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

- (1) apply online through the **White Form eIPO** service at www.eipo.com.hk; or
- (2) apply electronically through the HKSCC EIPO channel and cause HKSCC Nominees to apply on your behalf 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.

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

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

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

Your application through the **White Form eIPO** service or the **HKSCC EIPO** channel must be for a minimum of 100 Hong Kong Offer Shares and in one of the numbers set out in the table below.

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 Hong Kong Offer Shares you have selected. You must pay the respective amount payable on application in full upon application for Hong Kong Offer Shares.

IMPORTANT

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.

Montage Technology Co., Ltd.
(HK\$106.89 per Hong Kong Offer Share)
NUMBER OF HONG KONG OFFER SHARES THAT MAY
BE APPLIED FOR AND PAYMENTS

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	10,796.80	2,500	269,919.97	30,000	3,239,039.57	600,000	64,780,791.39
200	21,593.60	3,000	323,903.96	40,000	4,318,719.42	700,000	75,577,589.95
300	32,390.40	3,500	377,887.95	50,000	5,398,399.28	800,000	86,374,388.52
400	43,187.19	4,000	431,871.94	60,000	6,478,079.14	900,000	97,171,187.09
500	53,983.99	4,500	485,855.94	70,000	7,557,758.99	1,000,000	107,967,985.66
600	64,780.79	5,000	539,839.93	80,000	8,637,438.85	1,500,000	161,951,978.48
700	75,577.59	6,000	647,807.92	90,000	9,717,118.71	2,000,000	215,935,971.30
800	86,374.39	7,000	755,775.89	100,000	10,796,798.56	2,500,000	269,919,964.13
900	97,171.19	8,000	863,743.88	200,000	21,593,597.14	3,294,500 ⁽¹⁾	355,700,528.72
1,000	107,967.99	9,000	971,711.86	300,000	32,390,395.70		
1,500	161,951.98	10,000	1,079,679.85	400,000	43,187,194.25		
2,000	215,935.97	20,000	2,159,359.72	500,000	53,983,992.83		

Notes:

- (1) Maximum number of Hong Kong Offer Shares you may apply for.
- (2) The amount payable is inclusive of brokerage, SFC transaction levy, the Hong Kong 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).

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

EXPECTED TIMETABLE⁽¹⁾

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

Hong Kong Public Offering commences 9:00 a.m. on
Friday, January 30, 2026

Latest time to complete electronic applications
under the **White Form eIPO** service through
the designated website at www.eipo.com.hk⁽²⁾ 11:30 a.m. on
Wednesday, February 4, 2026

Application lists open⁽³⁾ 11:45 a.m. on
Wednesday, February 4, 2026

Latest time to (a) complete payment of
White Form eIPO applications by effecting
Internet banking transfer(s) or PPS payment
transfer(s) and (b) give **electronic application**
instructions to HKSCC 12:00 noon on
Wednesday, February 4, 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 earliest and latest time for giving such instructions which may be different from the latest time as stated above, as this may vary by broker or custodian.

Application lists close⁽³⁾ 12:00 noon on
Wednesday, February 4, 2026

Expected Price Determination Date⁽⁵⁾ by 12:00 noon on
Thursday, February 5, 2026

Announcement of the final Offer Price, the level of
indications of interest in the International Offering,
the level of applications in the Hong Kong Public Offering
and the basis of allocation of the Hong Kong Offer Shares
to be published on the website of the Stock Exchange
at www.hkexnews.hk and the Company's website at
www.montage-tech.com no later than 11:00 p.m. on
Friday, February 6, 2026

EXPECTED TIMETABLE⁽¹⁾

Announcement of results of allocations in the Hong Kong Public Offering (including successful applicants' identification document numbers, where appropriate) to be available through a variety of channels (as described in the section headed "How to Apply for Hong Kong Offer Shares — B. Publication of Results" in this Prospectus), including:

- in the announcement to be posted on our website at www.montage-tech.com and the website of the Stock Exchange at www.hkexnews.hk no later than 11:00 p.m. on Friday, February 6, 2026
- results of allocation for the Hong Kong Public Offering will be available at www.iporeresults.com.hk (alternatively: www.eipo.com.hk/eIPOAllotment) with a "search by ID" function from 11:00 p.m. on Friday, February 6, 2026 to 12:00 midnight on Thursday, February 12, 2026
- from the allocation results telephone enquiry line by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. on Monday, February 9, 2026, Tuesday, February 10, 2026, Wednesday, February 11, 2026 and Thursday, February 12, 2026

H Share certificates in respect of wholly or partially successful applications to be dispatched or deposited into CCASS on or before⁽⁶⁾⁽⁹⁾ Friday, February 6, 2026

White Form e-Refund payment instructions/refund checks in respect of wholly or partially successful applications if the final Offer Price per Offer Share 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⁾ Monday, February 9, 2026

Dealings in H Shares on the Stock Exchange expected to commenced at 9:00 a.m. on Monday, February 9, 2026

EXPECTED TIMETABLE⁽¹⁾

Notes:

- (1) All times and dates refer to Hong Kong local times and dates.
- (2) You will not be permitted to submit your application under the **White 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 the 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, Extreme Conditions and/or a “black” rainstorm warning at any time between 9:00 a.m. and 12:00 noon on Wednesday, February 4, 2026, the application lists will not open or close on that day. For further details, please see “How to Apply for Hong Kong Offer Shares — E. Severe Weather Arrangements” of this Prospectus.
- (4) Applicants who apply for Hong Kong Offer Shares by instructing your broker or custodian to apply on your behalf via **HKSCC EIPO** channel should refer to “How to Apply for Hong Kong Offer Shares — A. Application for Hong Kong Offer Shares — 2. Application Channels” of this Prospectus.
- (5) The Price Determination Date is expected to be on or before Thursday, February 5, 2026. If, for any reason, the Offer Price is not agreed between the Overall Coordinators (for themselves and on behalf of the Underwriters) and us by 12:00 noon on Thursday, February 5, 2026, the Global offering will not proceed and will lapse.
- (6) The H Share certificates are expected to be issued on Friday, February 6, 2026 but will only become valid evidence of title provided that the Global Offering has become unconditional in all respects and neither of the Underwriting Agreements has been terminated in accordance with its terms, which is scheduled to be at around 8:00 a.m. on Monday, February 9, 2026. Investors who trade H Shares on the basis of publicly available allocation details before the receipt of the H Share certificates and before they become valid do so entirely of their own risk.
- (7) None of the website or any of the information contained on the websites forms part of this Prospectus.
- (8) **White Form** e-Refund payment instructions/refund cheques will be issued in respect of wholly or partially unsuccessful applications pursuant to the Hong Kong Public Offering and in respect of wholly or partially successful applications if the Offer Price is less than the price 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 being individuals who are eligible for personal collection may not authorize any other person to collect on their behalf. If you are a corporate applicant which is eligible for personal collection, 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 evidence of identity acceptable to our H Share Registrar at the time of collection.

Applicants who have applied for Hong Kong Offer Shares through the **HKSCC EIPO** channel should refer to “How to Apply for Hong Kong Offer Shares — D. Dispatch/Collection of H Share Certificates and Refund of Application Monies” for details.

Applicants who have applied through the **White 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** e-Refund payment instructions. Applicants who have applied through the **White 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 checks in favor of the applicant (or, in the case of joint applications, the first-named applicant) by ordinary post at their own risk.

EXPECTED TIMETABLE⁽¹⁾

Any uncollected H Share certificates and/or refund cheques will be dispatched by ordinary post, at the applicants' risk, to the addresses specified in the relevant applications.

Further information is set out in "How to Apply for Hong Kong Offer Shares — D. Dispatch/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 expected timetable, including conditions, effect of bad weather and the dispatch of refund cheques and Share certificates.

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

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IMPORTANT NOTICE TO PROSPECTIVE INVESTORS

This Prospectus is issued by us 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 buy any security other than the Hong Kong Offer Shares offered by this Prospectus pursuant to the Hong Kong Public Offering. This Prospectus may not be used for the purpose of making, and does not constitute, an offer or invitation in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Hong Kong Offer Shares in any jurisdiction other than Hong Kong and no action has been taken to permit the distribution of this Prospectus in any jurisdiction other than Hong Kong. The distribution of this Prospectus for purposes of a public offering and the offering and sale of the Hong Kong 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. The Hong Kong Public Offering is made solely on the basis of the information contained and the representations made in this Prospectus. 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 contained nor made in this Prospectus must not be relied on by you as having been authorized by us, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, any of the Underwriters, any of our or their respective directors, officers, employees, agents, or representatives of any of them or any other parties involved in the Global Offering.

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SUMMARY

This summary aims to give you an overview of the information contained in this Prospectus. As this is a summary, it does not contain all the information that may be important to you. You should read the entire Prospectus before you decide to invest in our H Shares. There are risks associated with any investment. Some of the particular risks in investing in our Shares are set out in the section headed “Risk Factors” in this Prospectus. You should read that section carefully before you decide to invest in our H Shares. Various expressions used in this section are defined in the sections headed “Definitions” and “Glossary” in this Prospectus.

OVERVIEW

We are a leading global fabless IC design company focused on offering innovative, reliable and power-efficient interconnect solutions for cloud computing and AI infrastructure. We provide interconnect chips including memory interconnect chips and PCIe (peripheral component interconnect express)/CXL (compute express link) interconnect chips to industry leading customers for a wide range of end applications in data centers, servers and computers. In terms of revenue in 2024, we have emerged as the largest memory interconnect chip supplier in the world, with 36.8% market share, according to Frost & Sullivan.

We provide a full range of DDR2 to DDR5 (the second to the fifth generations of double data rate technologies) memory interface chips together with DDR5 supporting chips including SPD (Serial Presence Detect), TS (Temperature Sensor), and PMIC (Power Management Integrated Circuit) chips. Our DDR5 memory interface chips are critical interconnect components between CPUs and DRAM modules in servers, enabling high-speed data transfer and stability. Our newly-launched interconnect chips, including MRCD/MDB, CKD (Clock Driver), PCIe Retimer, and CXL MXC (Memory eXpander Controller) are designed to further enhance data transfer reliability and efficiency in AI servers and PCs.

We currently have two major product lines: interconnect chips and the Jintide products. Our interconnect chips primarily include memory interface chips, memory module supporting chips, PCIe/CXL interconnect chips and clock chips. Our Jintide products mainly consist of our Jintide CPU. The following chart provides an overview of our products along with their functions and applications.

	Key Protocols	Main Products	Function Introduction	Major Applications
Interconnect Chips				
Memory Interconnect Chips	DDR protocol	RCD, DB, MRCD, MDB, CKD	• Serve as a pathway for server CPUs to access memory data, enhance the speed and stability of memory data access	Server and PC memory modules
		SPD, PMIC, TS	• Memory module supporting chips that function as the communication center between the system master and the components on the memory module, provide power support for other chips on the memory module, and enable temperature monitoring of memory modules	
PCIe/CXL Interconnect Chips	PCIe/CXL protocol	PCIe Retimer	• Mainly used to address signal issues in high-speed, long-distance transmission scenarios, such as timing misalignment, attenuation, and integrity degradation	Server
		CXL MXC	• Facilitate memory pooling and memory expansion	Server
Jintide Products				
Jintide Products		Jintide CPU, etc.	• Jintide CPU is an x86 architecture CPU with PrC (Pre-Check) or DSC (Dynamic Security Check) features	Server

SUMMARY

For details, see “Business — Our Product Offerings.”

Leading Industry Positions	Pioneering Connectivity Solutions	Robust Financial Performance
No.1 global memory interconnect chip supplier, with 36.8% market share by revenue in 2024 ¹	1st CXL MXC delivered in the world ¹	RMB4.1Bn Revenue in 9M 2025, 57.8% YoY growth
No. 2 PCIe Retimer supplier globally by revenue in 2024; with in-house SerDes IP ¹	1 of 2 MRCD/MDB suppliers capable of supplying DDR5 Gen1 MRCD/MDB chips globally ¹	61.5% Gross Margin 52.0% Adj. Net Profit Margin² in 9M 2025
Board Member of JEDEC spec owner of DDR5 RCD, MDB and CKD, leading the development of industry standards	1st CKD supplier to deliver and trial produce DDR5 CKD chips globally ¹	RMB1.6Bn Net Operating Cash Flow in 9M 2025, consistent with net profit

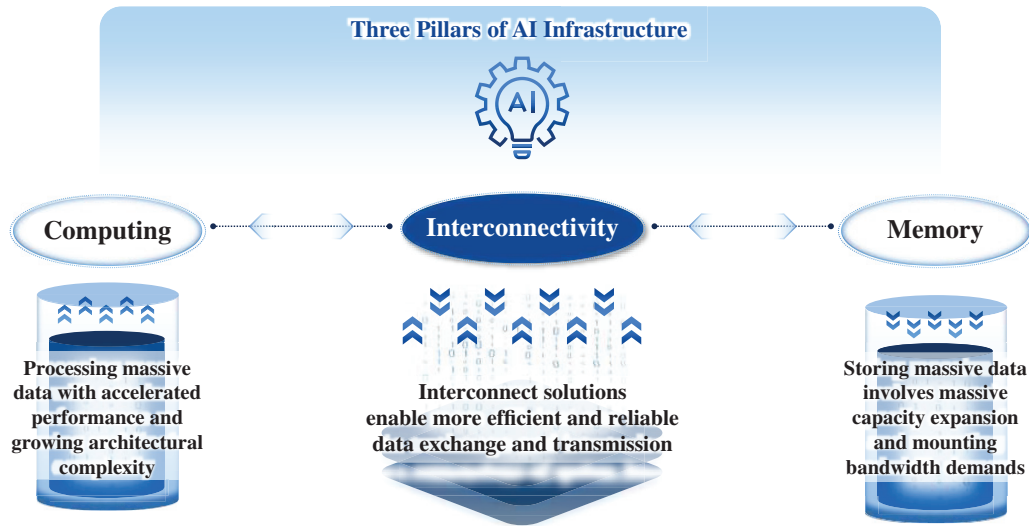
Notes:

1. According to Frost & Sullivan
2. Profit for the periods adjusted by adding back (i) share-based payments, and (ii) listing expenses, which relate to the Global Offering.

Interconnectivity plays an increasingly vital role in data transmission with the evolvement of modern data infrastructure. As processing power accelerated at a remarkable rate, it created a fundamental imbalance across computer systems. Processors began to operate so quickly that they were often held back by the slower pace of improvement in memory bandwidth, creating a critical performance bottleneck. Memory interface chips emerged as critical interconnect solutions to overcome this bottleneck, enabling memory to keep pace with computing and unlocking maximum system performance.

The need for a data-centric infrastructure is driven by the demands of managing unprecedented volumes of data with high quality and overcoming the discrepancy between processor speed and memory bandwidth, while at increasingly faster transfer rates and across a new, heterogeneous system architecture. This architecture is no longer centered solely around CPUs but now includes GPUs and a range of interconnected devices in increasingly complex configurations. In addition, it has reshaped system design around three pillars: computing, memory and interconnectivity. The importance of interconnect is expected to continue to grow, as it underpins the efficiency, reliability, low-latency and scalability of data-centric systems.

SUMMARY



Interconnect requires comprehensive solutions that not only address data movement to and from memory but also enable seamless communication across the entire system infrastructure within servers, between servers at the rack level, and across clusters. This demand has driven the ongoing evolution of memory interface technologies alongside the latest advancements in PCIe/CXL, Ethernet and optical interconnects, ensuring efficient and scalable data transfer across diverse system architectures. As intelligence and computing technologies evolve, the need for faster data transfer between components increases, which is directly expanding the overall market size for interconnect chips. For details, see “Market Development.”

Based on open industry standards, our interconnect solutions, mainly comprised of memory interconnect chips and PCIe/CXL interconnect chips as well as accompanying software and technical support services, effectively addresses interconnect bottlenecks while enhancing data rate/bandwidth, reliability, and power efficiency across various systems such as processors and memory modules. They realize such functions by supporting multiple standardized communication protocols. Interconnect solutions facilitate accurate and efficient data transfer, supporting overall system performance and stability.

We recorded revenue of RMB3,672.3 million, RMB2,285.7 million, RMB3,638.9 million and RMB4,057.7 million in 2022, 2023, 2024, and the nine months ended September 30, 2025, respectively. Our newly launched interconnect chips including PCIe Retimer, MRCD/MDB and CKD generated revenue of RMB422.5 million in 2024. Additionally, we have maintained a robust margin profile, supported by continuous product innovation. Our overall gross profit margin was 46.4%, 58.9%, 58.1% and 61.5% in 2022, 2023 and 2024 and the nine months ended September 30, 2025, respectively. Our long-standing partnerships with customers and ecosystem collaborators have been instrumental in driving sustained growth and profitability, strengthening our leading position in the industry.

SUMMARY

MARKET DEVELOPMENT

Driven by enormous data exchange volumes, accelerating transmission rates and increasing complexity in interconnect systems, the role of interconnect solutions has become increasingly evident. As the data transmission speeds rise, demands for interconnect chips with enhanced features, such as MRCD/MDB and CKD, continue to grow, elevating the value of these solutions. Memory interface technology has been constantly evolving, driving an accelerated innovation cycle in DDR5 and DDR6 (the fifth and upcoming sixth generations of double data rate technologies). The evolving market is fueling a rising adoption rate of interconnect chip products, further accelerated by the adoption of advanced interconnect protocols, such as PCIe and CXL, along with the demand for innovative interconnect chips to support more advanced system configurations.

Our solutions are strategically positioned to address the critical interconnect market, a cornerstone for enabling cloud computing, data centers, and AI infrastructure. According to Frost & Sullivan, size of global high-speed interconnect chips market is expected to grow significantly from US\$15.4 billion in 2024 to US\$49.0 billion by 2030, with a CAGR of 21.2%. With in this market, according to Frost & Sullivan, size of the memory interconnect chips market is expected to grow significantly from US\$1.2 billion in 2024 to US\$5.0 billion in 2030, with a CAGR of 27.4%; size of the PCIe and CXL interconnect chips market is expected to grow from US\$2.3 billion in 2024 to US\$9.5 billion in 2030, with a CAGR of 26.7%. As data volume continues to grow exponentially, we anticipate a rising demand for our products driven by increasing speed requirements. Furthermore, we plan to continue expanding our portfolio with new offerings in Ethernet and optical interconnect that will enhance our capabilities and address a broader segment of the interconnect chips market.

OUR COMPETITIVE STRENGTHS

We believe our following core competitive strengths will allow us to further consolidate our market leading position:

- We are an innovator in interconnect solutions with proven capabilities;
- We lead the industry in establishing standards and transitioning to new norms;
- We have established long-term relationship with key partners in the ecosystem;
- With a strategic focus on interconnect solutions, we have built a comprehensive product portfolio to meet the rapidly growing industry demand;
- Through extensive R&D and continuous innovation, we have built a competitive moat leveraging proprietary technologies and industry insights; and
- We are led by a visionary and seasoned management team.

SUMMARY

For details, see “Business — Our Competitive Strengths.”

OUR GROWTH STRATEGIES

To achieve our vision and mission, we intend to pursue the following strategies:

- Focus on R&D innovation to enrich our product portfolio and expand business footprints;
- Continue to adopt a talent-centric approach to advance strategic development and management efficiency;
- Maintain technological and market leadership, and drive collaborative developments in the global interconnect chip industry; and
- Pursue investment, collaboration and M&A opportunities to strategically enhance our capacity for growth.

For details, see “Business — Our Growth Strategies.”

OUR TECHNOLOGIES

Memory Interface Technologies

Through rigorous R&D, we have established ourselves as one of the few global suppliers capable of delivering a comprehensive set of memory interface chips spanning DDR2 to DDR5.

In the DDR4 generation, our invention of the “1+9” (one RCD chip and nine DB chips) distributed buffer memory subsystem architecture was adopted by JEDEC as the international standard for LRDIMM, which significantly reduces the load effect between the CPU and DRAM, lowers signal transmission loss and addresses the trade-off between large memory capacity and high speed. In the DDR5 generation, it evolved into the “1+10” (one RCD chip and ten DB chips), continuing to serve as the international standard for LRDIMM and has further developed into the international standard for a new type of high bandwidth memory module MRDIMM equipped with one MRCD chip and ten MDB chips.

At the industry forefront, our latest DDR5 Gen 5 RCD supports data rates of up to 8,000 MT/s, while our high-bandwidth memory interface chips DDR5 Gen 2 MRCD/MDB launched in early 2025 achieve data rate of 12,800 MT/s, the highest data rates in the industry at present, according to Frost & Sullivan.

SUMMARY

High-speed SerDes (Serializer/Deserializer) Serial Interface Technologies

SerDes (Serializer/Deserializer) is a foundational technology in the field of high-speed interconnects. It is a mainstream time-division multiplexing and point-to-point serial communication technology. At the transmitter side, SerDes converts multiple low-speed parallel signals into a high-speed serial signal, which is transmitted through a medium such as optical fiber or copper cables, and then reconverted it to low-speed parallel signals at the receiver side. As the physical layer foundation for various high-speed transmission technologies, including PCIe, USB, and Ethernet, SerDes plays a critical role in enabling reliable, high-speed data transfer. Its broad applications span servers, heterogeneous computing, automotive electronics, and communication systems, making it an essential component in modern high-speed interconnect solutions.

We have consistently invested in the R&D of SerDes technology, achieving significant breakthroughs that lay a solid foundation for the development of innovative solutions. We have developed 32GT/s SerDes IP, which has been applied to the PCIe 5.0/CXL 2.0 Retimer, a product that has secured large-scale procurement from downstream customers in 2024. Building on this success, we further developed 64GT/s SerDes IP, which has been integrated into the PCIe 6.x/CXL 3.x Retimer.

We seek to continue advancing the high-speed SerDes technology. We are currently in the processing of researching and developing PCIe 7.0 SerDes IP, which could support data rates of up to 128GT/s, positioning us at the forefront of high-speed interconnect solution.

For details, see “Business — Research and Development.”

COMPETITIVE LANDSCAPE

The global high-speed interconnect chip market is entering a phase of rapid growth, driven by the expansion of AI infrastructure and the evolution of server architectures. The market currently features multiple parallel technological paths. We operate in a competitive industry, where we face competition from both global and regional players.

Memory interconnect chip market: As the industry transitions from DDR4 to DDR5, the competitive landscape has remained stable. In 2024, the market remained highly concentrated, with the Company, Renesas and Rambus being the three dominant players, collectively accounting for over 90% of the total market share. Among them, the Company ranked first with a 36.8% market share, according to Frost & Sullivan. These companies have established strong technical barriers based on years of R&D, deep understanding of industry standards, and extensive experience in product design and commercialization. In addition, they have built long-term and robust relationships with customers and ecosystem partners. Strict product qualification processes also impose high commercial entry barriers for new entrants. As a result, leading players have formed a dual competitive moat of “technical barrier and customer lock-in.”

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PCIe/CXL interconnect chip market: This sector also exhibited a similarly high level of market concentration. In 2024, top two vendors in the PCIe Retimer segment alone captured 96.9% of market share with the largest vendor holding 86% of market share. As a new entrant to this market, the Company achieved rapid shipment growth of PCIe Retimer in 2024 through continuous product development and iteration, ranking second globally with a 10.9% market share, according to Frost & Sullivan. Meanwhile, CXL interconnect technology remains an emerging field. Although adoption and ecosystem development are gradually progressing, and the market is still in its early stage.

For details, see “Industry Overview.”

SALES, DISTRIBUTION AND MARKETING

We have established sales and marketing teams dedicated to both domestic and overseas markets, who proactively identify market opportunities and tailor sales strategies. We sell our interconnect chips primarily through direct sales, with a small proportion allocated to distribution channels. We typically opt for distributors to optimize accounts receivable cycles and to improve the efficiency of customer management.

Our Direct Sales

We directly acquire new direct sale customers primarily through referrals from our customers and partners along the value chain, targeted marketing to leading industry participants, and active participation in industry exhibitions. In 2022, 2023 and 2024 and the nine months ended September 30, 2025, our sales generated from direct sale customers amounted to RMB2,692.9 million, RMB2,151.8 million, RMB3,088.2 million and RMB3,435.6 million, respectively, accounting for 73.4%, 94.2%, 84.8% and 84.7%, respectively, of our revenue for the corresponding periods.

Our Distribution Network

For the years ended December 31, 2022, 2023 and 2024 and for the nine months ended September 30, 2025, our total sales through distributors amounted to RMB978.3 million, RMB126.3 million, RMB540.6 million and RMB614.6 million, respectively, accounting for 26.6%, 5.5%, 14.9% and 15.1%, respectively, of our revenue for the corresponding periods. Our distributors act as agents instead of principals in our transactions with customers, and we pay commissions for orders they obtained at the rates stipulated in the distribution agreements. For details, see “Business — Sales, Marketing and Distribution of Our Products.”

SUMMARY

OUR SUPPLIERS AND CUSTOMERS

We operate with a fabless model, focusing on the design process and outsourcing the IC manufacturing, packaging and testing. We have established a comprehensive supplier management system, which requires all core suppliers to hold an ISO 9001 Quality Management System certification. Our suppliers during the Track Record Period primarily included foundries, packaging and testing service providers, and supporting chips and CPU core providers. Under our agreements with our suppliers, we provide procurement forecasts, issue purchase orders and work orders, confirm invoices upon receipt of finished products, and make payments. In 2022, 2023 and 2024 and the nine months ended September 30, 2025, the aggregate purchase amounts from our five largest suppliers of each year/period of the Track Record Period were RMB2,341.6 million, RMB910.9 million, RMB1,512.8 million and RMB1,783.2 million, representing 89.4%, 68.0%, 77.8% and 81.8% of our total purchase amount in the respective years/period. The purchase amounts from our single largest supplier of each year/period of the Track Record Period were RMB939.5 million, RMB325.3 million, RMB511.5 million and RMB806.9 million in 2022, 2023, 2024, and the nine months ended September 30, 2025, representing 35.9%, 24.3%, 26.3% and 37.0% of our total purchase amount in the respective years/period. For details, see “Business — Our Suppliers.”

During the Track Record Period, our customers primarily included memory module manufacturers, server OEM/ODMs and cloud service providers (CSPs). In 2022, 2023 and 2024 and the nine months ended September 30, 2025, the aggregate revenue generated from our five largest customers of each year/period of the Track Record Period were RMB3,091.1 million, RMB1,713.3 million, RMB2,790.7 million and RMB3,116.3 million, representing 84.2%, 74.8%, 76.7% and 76.8% of our revenue in the respective years/period. Revenues generated from our single largest customer of each year/period of the Track Record Period were RMB941.5 million, RMB626.6 million, RMB833.4 million and RMB1,139.6 million in 2022, 2023, 2024, and the nine months ended September 30, 2025, representing 25.6%, 27.4%, 22.9% and 28.1% of our revenue in the respective years/period. For details, see “Business — Our Customers.”

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

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

Summary of Consolidated Statements of Profit or Loss

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

SUMMARY

	For the Year Ended December 31,			For the Nine Months Ended September 30,	
	2022	2023	2024	2024	2025
<i>(unaudited)</i>					
<i>(RMB in thousands)</i>					
Revenue	3,672,258	2,285,738	3,638,911	2,570,870	4,057,688
Cost of sales	(1,966,747)	(939,216)	(1,523,615)	(1,076,805)	(1,563,886)
Gross profit	1,705,511	1,346,522	2,115,296	1,494,065	2,493,802
Other income and gains	507,626	361,646	389,027	316,688	427,911
Research and development expenses	(563,487)	(681,812)	(763,470)	(552,282)	(533,161)
Administrative expenses	(208,377)	(178,905)	(202,868)	(126,454)	(596,614)
Selling and distribution expenses	(86,147)	(89,961)	(96,007)	(69,265)	(81,870)
Other expenses	(26,701)	(193,710)	(44,724)	(2,612)	(17,614)
Finance costs	(1,032)	(742)	(1,513)	(1,022)	(1,346)
Reversal of impairment losses/(impairment losses) on trade receivables, net	(711)	144	(465)	168	(759)
Fair value changes of financial assets at fair value through profit or loss	90,746	(87,328)	23,889	(9,673)	16,247
Share of losses of associates	(3,562)	(3,635)	(6,548)	(7,910)	(13,611)
Profit before tax	1,413,866	472,219	1,412,617	1,041,703	1,692,985
Income tax expense	(114,494)	(21,071)	(71,882)	(65,324)	(116,620)
Profit for the year/period	1,299,372	451,148	1,340,735	976,379	1,576,365
Attributable to:					
Owners of the parent	1,299,378	450,910	1,411,778	978,077	1,632,284
Non-controlling interests	(6)	238	(71,043)	(1,698)	(55,919)

	For the Year Ended December 31,			For the Nine Months Ended September 30,	
	2022	2023	2024	2024	2025
<i>(unaudited)</i>					
<i>(RMB)</i>					

Earnings per share attributable to owners of the parent

Basic	1.15	0.40	1.25	0.87	1.44
Diluted	1.15	0.40	1.25	0.87	1.43

Non-IFRS Measures

To supplement our consolidated statements of profit or loss which are presented in accordance with IFRSs, we use adjusted net profit (Non-IFRS measure) and adjusted net profit margin (Non-IFRS measure), which are not required by, or presented in accordance with, IFRSs.

SUMMARY

We define adjusted net profit (Non-IFRS measure) as profit for the periods adjusted by adding back (i) share-based payments, and (ii) listing expenses, which relate to the Global Offering. Share-based payments which are both equity-settled and cash-settled in nature, and related to our restricted A share incentive schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Equity-settled share-based payment expenses are non-cash in nature. Cash-settled share-based payment expenses are required to be remeasured at fair value at each reporting date. Consequently, they are affected by fluctuations in secondary market share prices, which may introduce volatility that is not reflective of the Group's underlying operating performance. Accordingly, we exclude the impact of these share-based payment expenses, as they are not indicative of the Company's core operations or its long-term development prospects. We define adjusted net profit margin (Non-IFRS measure) as adjusted net profit (Non-IFRS measure) to divide corresponding revenue of the year/period.

We believe that Non-IFRS measures facilitate the comparisons of operating performance and provide useful information to investors and others in understanding and evaluating our operating performance in the same manner as it helps our management. However, our presentation of Non-IFRS measures for the periods may not be comparable to similarly titled measures presented by other companies. The use of Non-IFRS measures has limitations as an analytical tool, and investors should not consider it in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards. The following tables reconcile Non-IFRS measures with IFRS Accounting Standards.

	For the Year Ended December 31,			For the Nine Months Ended September 30,	
	2022	2023	2024	2024	2025
	<i>(unaudited)</i>				
	<i>(RMB in thousands, except for percentages)</i>				
Profit for the year/period	1,299,372	451,148	1,340,735	976,379	1,576,365
<i>adjusted for</i>					
Share-based payment expenses	151,270	122,678	58,849	35,885	532,355
Listing expenses	—	—	—	—	373
Adjusted net profit					
(Non-IFRS measure)	<u>1,450,642</u>	<u>573,826</u>	<u>1,399,584</u>	<u>1,012,264</u>	<u>2,109,093</u>
Adjusted net profit margin					
(Non-IFRS measure)	39.5%	25.1%	38.5%	39.4%	52.0%

Profit for the Year/Period

In 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, our profit for the year/period was RMB1,299.4 million, RMB451.1 million, RMB1,340.7 million, RMB976.4 million and RMB1,576.4 million, respectively. In 2023, the Company experienced a year-on-year decline in both revenue and profit for the year, which was principally attributable to the effects of inventory destocking in the industry, reflecting weakened global demand for servers and computers. In 2024, the Company's revenue and profit for the year

SUMMARY

rebounded significantly year-on-year, with the profit surpassing the levels achieved in 2022. This strong recovery was primarily driven by (i) recovery in global demand for servers and computers, under which trend the Company experienced restorative growth in demand for its memory interface chips and supporting chips, (ii) increased downstream penetration of DDR5 products and ongoing iterations of its sub-generations, and the shipment volume of the Company's DDR5 memory interface chips exceeded that of DDR4 memory interface chips, and (iii) supported by the growth in the AI industry, the Company had scale sales of new interconnect chips including PCIe Retimer, MRCD/MDB and CKD, which generated an aggregated revenue of RMB422.5 million in 2024, an 8-fold increase as compared to 2023.

Revenue

During the Track Record Period, we primarily derived our revenue from sales of interconnect chips and Jintide products. The following table sets forth a breakdown of our revenue by business, in absolute amounts and as percentages of total revenue, for the periods indicated.

	For the Year Ended December 31,						For the Nine Months Ended September 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(unaudited)									
	(in thousands, except for percentages)									
Interconnect chips	2,734,651	74.5	2,184,594	95.6	3,349,185	92.0	2,377,078	92.5	3,832,037	94.4
Jintide products	936,561	25.5	93,547	4.1	279,585	7.7	185,043	7.2	218,136	5.4
Others ⁽¹⁾	1,046	0.0	7,597	0.3	10,141	0.3	8,749	0.3	7,515	0.2
Total	3,672,258	100.0	2,285,738	100.0	3,638,911	100.0	2,570,870	100.0	4,057,688	100.0

Note:

(1) Others represent rental income.

Our revenue was RMB3,672.3 million, RMB2,285.7 million and RMB3,638.9 million in 2022, 2023, 2024, respectively, reflecting overall sales growth of our interconnect chip products. Revenues from interconnect chips accounted for 74.5%, 95.6% and 92.0% of our total revenues in 2022, 2023 and 2024, respectively. Revenues from Jintide products accounted for 25.5%, 4.1% and 7.7% of our total revenues in 2022, 2023 and 2024, respectively. The change in revenue mix from 2022 to 2023 was primarily because revenue generated from our Jintide products decreased in a larger extent compared to our interconnect chips in 2023. The decline of our revenue in 2023 was primarily due to the inventory destocking across the broader industry. According to Frost & Sullivan, the semiconductor and downstream industries, such as server and computer manufacturing, experienced a widespread inventory destocking in 2023, stemmed from overstocking in response to previous supply chain disruptions. Our sales subsequently decreased as downstream clients cut purchases to deplete existing inventory. In

SUMMARY

2024, due to increased DDR5 penetration rates and expanded demand from cloud computing and AI infrastructure application, our sales witnessed a recovery, especially in our interconnect chips which rebounded and surpassed the level recorded in 2022. For more details on the relevant decrease in shipment across the industry, see “Industry Overview — Global High-speed Interconnect Chip Market Overview” and “Industry Overview — Global Memory Interconnect Chip Market.”

Our revenue was RMB2,570.9 million and RMB4,057.7 million for the nine months ended September 30, 2024 and 2025, respectively. The growth was primarily due to increased DDR5 penetration rates and accelerated demands from cloud computing and AI infrastructure application. Revenues from interconnect chips accounted for 92.5% and 94.4% of our total revenues for the nine months ended September 30, 2024 and 2025, respectively. Revenues from Jintide products accounted for 7.2% and 5.4% of our total revenues for the nine months ended September 30, 2024 and 2025, respectively.

For details, see “Financial Information — Discussion of Results of Operations.”

Gross Profit and Gross Profit Margin

In 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, our gross profit was RMB1,705.5 million, RMB1,346.5 million, RMB2,115.3 million, RMB1,494.1 million and RMB2,493.8 million, respectively. Our overall gross profit margin was 46.4%, 58.9%, 58.1%, 58.1% and 61.5% in 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively. The overall increase of our gross profit margin was primarily attributable to the increase in the gross profit margin of our interconnect chips, reflecting our enhanced technological capability and competitiveness, as well as a higher proportion of our interconnect chips within our portfolio.

The following table sets forth a breakdown of our gross profit and gross profit margin by business for the periods indicated.

	For the Year Ended December 31,						For the Nine Months Ended September 30,			
	2022		2023		2024		2024		2025	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
(unaudited)										
(in thousands, except for percentages)										
Interconnect chips . . .	1,605,777	58.7	1,340,440	61.4	2,098,678	62.7	1,482,189	62.4	2,484,141	64.8
Jintide products	98,688	10.5	3,753	4.0	13,281	4.8	8,276	4.5	7,005	3.2
Others	1,046	100.0	2,329	30.7	3,337	32.9	3,600	41.1	2,656	35.3
Total	<u>1,705,511</u>	<u>46.4</u>	<u>1,346,522</u>	<u>58.9</u>	<u>2,115,296</u>	<u>58.1</u>	<u>1,494,065</u>	<u>58.1</u>	<u>2,493,802</u>	<u>61.5</u>

SUMMARY

For interconnect chips, we recorded gross profit in 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, our gross profit was RMB1,605.8 million, RMB1,340.4 million, RMB2,098.7 million, RMB1,482.2 million and RMB2,484.1 million, respectively. Our gross profit margin for interconnect chips was 58.7%, 61.4%, 62.7%, 62.4% and 64.8% in 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively.

For Jintide products, we recorded gross profit in 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, our gross profit was RMB98.7 million, RMB3.8 million, RMB13.3 million, RMB8.3 million and RMB7.0 million, respectively. Our gross profit margin for Jintide products was 10.5%, 4.0%, 4.8%, 4.5% and 3.2% in 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively. The overall decline in the gross profit margin of Jintide products was primarily associated with the price reduction we offered to the sales of early generation of Jintide products.

For details, see “Financial Information — Discussion of Results of Operations.”

Summary of Consolidated Statements of Financial Positions

The table below sets forth selected information from our consolidated balance sheets as of the dates indicated, which has been extracted from the Accountant’s Report included in Appendix I to this Prospectus:

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	<i>(RMB in thousands)</i>			
Non-current assets	2,049,566	2,401,413	2,757,607	2,790,474
Current assets	8,636,479	8,296,127	9,461,303	10,961,155
Total assets	10,686,045	10,697,540	12,218,910	13,751,629
Non-current liabilities	119,362	99,749	142,528	533,189
Current liabilities	639,428	391,171	679,878	961,350
Total liabilities	758,790	490,920	822,406	1,494,539
Net assets	9,927,255	10,206,620	11,396,504	12,257,090
Share capital	1,134,068	1,138,740	1,144,789	1,145,151
Treasury shares	(300,083)	(300,031)	(427,558)	(628,081)
Reserves	9,078,201	9,352,698	10,686,206	11,742,572
Non-controlling interests . . .	15,069	15,213	(6,933)	(2,552)
Total equity	9,927,255	10,206,620	11,396,504	12,257,090
Net current assets	7,997,051	7,904,956	8,781,425	9,999,805

Our net assets increased from RMB11,396.5 million as of December 31, 2024 to RMB12,257.1 million as of September 30, 2025, primarily due to our total comprehensive income for the nine months ended September 30, 2025 of RMB1,518.8 million and partially offset by our distribution to shareholders of RMB670.0 million.

SUMMARY

Our net assets increased from RMB10,206.6 million as of December 31, 2023 to RMB11,396.5 million as of December 31, 2024, primarily due to our total comprehensive income for the year of RMB1,407.1 million and partially offset by our distribution to shareholders of RMB338.5 million in 2024.

Our net assets increased from RMB9,927.3 million as of December 31, 2022 to RMB10,206.6 million as of December 31, 2023, primarily due to our total comprehensive income for the year of RMB513.0 million and partially offset by our distribution to shareholders of RMB341.5 million in 2023.

The following table sets forth our current assets and current liabilities as of the dates indicated:

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	<i>(RMB in thousands)</i>			
Inventories	738,433	482,386	352,196	795,747
Trade receivables	322,379	294,254	387,791	568,204
Prepayments, other receivables and other assets	114,317	142,136	195,944	236,476
Financial assets at fair value through profit or loss, current	1,610,090	1,703,267	1,783,495	545,849
Pledged deposits	17,510	8,204	42,945	42,945
Cash and cash equivalents	5,833,750	5,665,880	6,698,932	8,771,934
Total current assets	8,636,479	8,296,127	9,461,303	10,961,155
Trade payables	197,166	131,115	211,154	304,965
Other payables and accruals	291,172	226,949	374,667	504,338
Contract liabilities	22,731	1,615	22,088	26,925
Tax payables	116,465	18,207	56,012	109,442
Lease liabilities, current	11,894	13,285	15,957	15,680
Total current liabilities	639,428	391,171	679,878	961,350
Net current assets	7,997,051	7,904,956	8,781,425	9,999,805

Our net current assets increased from RMB8,781.4 million as of December 31, 2024 to RMB9,999.8 million as of September 30, 2025 due to the increase of our total current assets as well as the increase of our total current liabilities. Our total current assets increased from RMB9,461.3 million as of December 31, 2024 to RMB10,961.2 million as of September 30, 2025, primarily due to (i) the increase of our cash and cash equivalents of RMB2,073.0 million, (ii) the increase of our inventories of RMB443.6 million, and (iii) the increase of our trade receivables of RMB180.4 million; partially offset by the decrease of our current financial assets at fair value through profit or loss of RMB1,237.6 million. Our total current liabilities increased from RMB679.9 million as of December 31, 2024 to RMB961.4 million as of September 30, 2025, primarily due to (i) the increase of our other payables and accruals of RMB129.7 million, (ii) the increase of our trade payables of RMB93.8 million, and (iii) the increase of our tax payables of RMB53.4 million.

SUMMARY

Our net current assets increased from RMB7,905.0 million as of December 31, 2023 to RMB8,781.4 million as of December 31, 2024, primarily due to the increase of our total current assets, which outweighed the increase of our total current liabilities. Our total current assets increased from RMB8,296.1 million as of December 31, 2023 to RMB9,461.3 million as of December 31, 2024, primarily due to (i) the increase of our cash and cash equivalents of RMB1,033.0 million, (ii) the increase of our trade receivables of RMB93.5 million, and (iii) the increase of our current financial assets at fair value through profit or loss of RMB80.2 million; partially offset by the decrease of our inventories of RMB130.2 million. This was partially offset by the increase in our total current liabilities from RMB391.2 million as of December 31, 2023 to RMB679.9 million as of December 31, 2024, primarily due to (i) the increase of our other payables and accruals of RMB147.8 million, (ii) the increase of our trade payables of RMB80.1 million, and (iii) the increase of our tax payables of RMB37.8 million.

Our net current assets decreased from RMB7,997.1 million as of December 31, 2022 to RMB7,905.0 million as of December 31, 2023, primarily due to the decrease of our total current assets, which outweighed the decrease of our total current liabilities. Our total current assets decreased from RMB8,636.5 million as of December 31, 2022 to RMB8,296.1 million as of December 31, 2023, primarily due to (i) the decrease of our inventories of RMB256.0 million, (ii) the decrease of our cash and cash equivalents of RMB167.9 million, and (iii) the decrease of our trade receivables of RMB28.1 million; partially offset by (i) the increase of our current financial assets at fair value through profit or loss of RMB93.2 million, and (ii) the increase of our prepayments, other receivables and other assets of RMB27.8 million. This was partially offset by the decrease of our total current liabilities from RMB639.4 million as of December 31, 2022 to RMB391.2 million as of December 31, 2023, primarily due to (i) the decrease of our tax payables of RMB98.3 million, (ii) the decrease of our trade payables of RMB66.1 million, and (iii) the decrease of our other payables and accruals of RMB64.3 million; partially offset by the increase of our current lease liabilities of RMB1.4 million.

Summary of Consolidated Statements of Cash Flows

The following table sets forth our cash flows for the periods indicated.

	For the Year Ended December 31,			For the Nine Months Ended September 30,	
	2022	2023	2024	2024	2025
	(RMB in thousands)				
	(unaudited)				
Net cash generated from operating activities	688,835	731,250	1,691,322	1,260,712	1,600,671
Net cash generated from/(used in)					
investing activities	63,445	(574,241)	(443,474)	(104,504)	1,141,234
Net cash used in financing activities	(270,090)	(372,109)	(276,938)	(643,988)	(606,734)
Net increase/(decrease) in cash and cash equivalents	482,190	(215,100)	970,910	512,220	2,135,171
Cash and cash equivalents at					
beginning of the year/period	5,083,941	5,833,750	5,665,880	5,665,880	6,698,932
Effect of foreign exchange rate					
changes, net	267,619	47,230	62,142	(37,940)	(62,169)
Cash and cash equivalents at end of the year/period	5,833,750	5,665,880	6,698,932	6,140,160	8,771,934

SUMMARY

For a detailed discussion of our consolidated cash flow data during the Track Record Period, see “Financial Information — Liquidity and Capital Resources.”

Key Financial Ratios

The following table sets forth some of our key financial ratios for the periods indicated.

	As of/For the Year Ended December 31,			As of/For the Nine Months Ended September 30,
	2022	2023	2024	2025
Gross profit margin ⁽¹⁾	46.4%	58.9%	58.1%	61.5%
Net profit margin ⁽²⁾	35.4%	19.7%	36.8%	38.8%
Current ratio ⁽³⁾	13.5	21.2	13.9	11.4
Quick ratio ⁽⁴⁾	12.4	20.0	13.4	10.6
Trade receivable turnover days ⁽⁵⁾ . .	25	49	34	32

Notes:

- (1) Gross profit margin is calculated using gross profit for the year/period divided by revenue for the year/period and multiplied by 100%.
- (2) Net profit margin is calculated using net profit for the year/period divided by revenue for the year/period and multiplied by 100%.
- (3) Current ratio is calculated by dividing total current assets by total current liabilities as of the dates indicated.
- (4) Calculated using current assets less inventories and divided by current liabilities as of the dates indicated.
- (5) Trade receivable turnover days for a period equals the average of the net value of the opening and closing trade receivable balance divided by revenue for the relevant period and multiplied by the number of days in the relevant period (i.e. 365 days for a fiscal year and 270 days for the nine months ended September 30).

Our current ratio and quick ratio increased in 2023, primarily because of decreased current liabilities. This is attributable to the decrease in trade payables and tax payables, in line with our business fluctuation in 2023. We subsequently witnessed decrease in current ratio and quick ratio in the nine months ended September 30, 2025, primarily due to the increase in our other payables and accruals and trade payables because of an increase in payroll and welfare payable, as well as dividends payable which were subsequently settled in October 2025. Our trade receivable turnover days increased in 2023, primarily because certain customers with longer credit terms accounted for a relatively large proportion of our trade receivables in 2023. Our trade receivable turnover days further decreased to 34 days and 32 days for 2024 and for the nine months ended September 30, 2025, respectively, generally in line with our typical credit terms.

For a more comprehensive discussion of the factors affecting our key financial ratios during the Track Record Period, see “Financial Information — Discussion of Results of Operations.”

SUMMARY

RISK FACTORS

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

- The success of our business is dependent upon our ability to introduce products on a timely basis with features and performance levels that provide value to our customers while supporting and anticipating significant industry transitions.
- Products that fail to meet their specifications or are defective could impose significant costs on us or result in loss of business.
- The semiconductor industry is cyclical, and increased levels of inventory may lead to oversupply and lower prices, and conversely, if we do not hold sufficient inventory, we may not be able to satisfy unexpected demand for our products.
- We are investing heavily in our research and development, and such investment may not generate the results we expect to achieve.
- We are subject to the risk of customer concentration, and our revenue could be adversely affected if we lose or are prevented from selling to any of our top customers.
- If we do not keep pace with technological innovations or customers’ increasing technological requirements, we may not be able to enhance our existing products and our products may not be competitive, and our operating results may suffer.
- If we are unable to attract, hire, retain and motivate our key engineers and employees, our business may be harmed.
- We operate in a competitive industry.
- Reliance on third-party suppliers and their technology to manufacturing, assembly, testing, or packaging of our products presents potential risks, such as supply shortages, delays or non-compliance, could harm our business.
- We may not be able to adequately protect or enforce our patents, trade secrets and other intellectual property rights throughout the world, and our efforts to do so may be costly.

OUR LISTING ON THE SHANGHAI STOCK EXCHANGE STAR MARKET

Since July 2019, our A Shares have been listed on the Shanghai Stock Exchange STAR Market (SSE: 688008). Our Directors confirmed that we had no instance of non-compliance with the rules of the Shanghai Stock Exchange STAR Market and other applicable securities laws and regulations of the PRC in any material respects since our listing on the Shanghai Stock Exchange STAR Market and up to the Latest Practicable Date and, to the best knowledge

SUMMARY

of our Directors after having made all reasonable enquiries, there was no material matter that should be brought to investors' attention in relation to our compliance record on the Shanghai Stock Exchange STAR Market. Based on the filings on the website of the Shanghai Stock Exchange and the information in the public domain, our PRC Legal Adviser is of the view that since our listing on the Shanghai Stock Exchange STAR Market and up to the Latest Practicable Date, there have been no material violations of the applicable rules of the Shanghai Stock Exchange STAR Market or other applicable securities laws and regulations of the PRC.

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS AND CONCERT PARTIES

WLT Partners and Zhuhai Rongying are Concert Parties which are collectively interested in 7.23% of the total issued Shares as of the Latest Practicable Date. WLT Partners, WYK Co., Ltd., Mr. Tai Kuai Lap, Zhuhai Rongying, Ms. Yang Chongyi and Ms. Bai Xue, together constitutes our single largest group of shareholders.

DIVIDEND

During the Track Record Period, we have declared and paid dividend of RMB341.4 million, RMB338.2 million and RMB443.1 million for the year ended December 31, 2022, 2023 and 2024, respectively. On August 29, 2025, we have approved an interim dividend in 2025 for a cash dividend of RMB226.9 million and such dividend was fully paid in October 2025.

Our Company currently does not have a formal standalone dividend policy or pre-determined dividend payout ratio. As set forth in our Articles of Association, the Company shall prioritize cash dividends for profit distribution when it is profit-making, has no undistributed deficit, and possesses ample cash to pay out dividends without disrupting its regular business operations. Over any three-year period, the cumulative amount of cash dividends distributed must be at least 30% of the average annual distributable profits for those three years. The board of Directors shall set a specific annual distribution ratio based on the Company's performance in each given year.

Generally, our Board will make dividend proposals, taking into account factors including our actual and expected results of operations, cash flow and financial position, general business conditions and business strategies, expected working capital requirements and future expansion plans, legal, regulatory and other contractual restrictions, and other factors that our Board deems to be appropriate. Our Shareholders in a general meeting may approve declaration of dividends.

WORKING CAPITAL SUFFICIENCY

Taking into account the financial resources available to us, including anticipated cash flow from our operating activities, existing cash and cash equivalents and the estimated net proceeds from the Global Offering, our Directors believe that we have sufficient working capital for our present requirements and for the next 12 months from the date of this Prospectus.

SUMMARY

We intend to finance our future working capital requirements and capital expenditures primarily from cash expected to be generated from operating activities and funds raised from financing activities, including the net proceeds we will receive from the Global Offering.

LISTING EXPENSES

Based on the Offer Price of HK\$106.89 per Offer Share, the total listing expenses (including underwriting commissions) payable by our Company are estimated to be approximately HK\$138.4 million (equivalent to approximately RMB124.2 million), assuming the Over-allotment Option is not exercised. These listing expenses mainly comprise professional fees paid and payable to the professional parties, and commissions payable to the Underwriters, for their services rendered in relation to the Listing and the Global Offering.

As of September 30, 2025, we have incurred Listing expenses of RMB21.8 million for the Global Offering. We estimate that the listing expenses of RMB124.2 million (including (i) underwriting commissions of RMB72.7 million, assuming the Over-allotment Option is not exercised and based on an Offer Price of HK\$106.89 per Offer Share and (ii) non-underwriting expenses of RMB51.5 million, including (a) the legal counsels and reporting accountants expenses of RMB25.6 million, and (b) other fees and expenses of RMB25.9 million), accounting for 2.0% of our gross proceeds, will be further incurred by our Group, of which RMB9.0 million is expected to be charged to our consolidated statements of profit or loss and RMB115.2 million is expected to be charged against equity upon the Listing.

GLOBAL OFFERING STATISTICS

The statistics in the following table are based on the assumptions that (i) the Global Offering has been completed and 65,890,000 H Shares are issued pursuant to the Global Offering, (ii) the Over-allotment Option is not exercised, and (iii) 1,212,316,521 Shares are issued and outstanding immediately following the completion of the Global Offering.

	Based on an Offer Price of HK\$106.89 per H Share
Market capitalization of our H Shares ⁽¹⁾	HK\$7,042.98 million
Market capitalization of our A Shares ⁽²⁾	HK\$173,324.62 million
Total market capitalization considering both A Shares and H Shares	HK\$180,367.60 million
Unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company per Share as of September 30, 2025 ⁽³⁾ . . .	HK\$16.93

SUMMARY

Notes:

- (1) The calculation of market capitalization of our H Shares is based on 65,890,000 H Shares expected to be issued immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised).
- (2) The market capitalization of our A Shares is calculated based on 1,146,426,521 A Shares in issue with an average closing price for the five business days immediately prior to the Latest Practicable Date of RMB135.73 (equivalent to approximately HK\$151.19) per A Share.
- (3) The unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company per Share is arrived at after the adjustments referred to in “Appendix II — Unaudited Pro Forma Financial Information” and on the basis that 1,212,316,521 Shares were in issue assuming the Global Offering had been completed on September 30, 2025 and do not take into account any Shares which may be sold and offered upon exercise of the Over-allotment Option.

FUTURE PLANS AND USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK\$6,904.6 million, after deducting underwriting commissions, fees and estimated expenses payable by us in connection with the Global Offering, assuming no Over-allotment Option is exercised and an Offer Price of HK\$106.89 per Offer Share.

In line with our strategies, we intend to use the net proceeds for the following purposes, subject to changes with respect to our evolving business needs and changing market conditions:

- Approximately 70.0% or HK\$4,833.2 million will be allocated over the next five years to invest in R&D in interconnect chip domain, aiming to strengthen our global leadership and seize opportunities in the field of cloud computing and AI infrastructure;
- Approximately 5.0% or HK\$345.2 million will be allocated to enhance our commercialization capabilities;
- Approximately 15.0% or HK\$1,035.7 million will be allocated to strategic investments and/or acquisitions to achieve our long-term growth strategy; and
- Approximately 10.0% or HK\$690.5 million will be allocated for working capital and general corporate purposes.

For details, please see “Future Plans and Use of Proceeds.”

SUMMARY

LEGAL PROCEEDING AND COMPLIANCE

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any actual or pending legal, arbitration or administrative proceedings (including any bankruptcy or receivership proceedings) that we believe would have a material adverse effect on our business, results of operations, financial condition or reputation and compliance.

According to our PRC Legal Adviser, the business operations we engaged in had been carried out in compliance with applicable PRC laws and regulations in all material respects during the Track Record Period and up to the Latest Practicable Date.

PROFIT ESTIMATE FOR THE YEAR ENDED DECEMBER 31, 2025

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

Estimated consolidated profit attributable	RMB2.15 billion –
to owners of our Company	RMB2.35 billion

RECENT DEVELOPMENTS

Benefiting from AI industry tailwinds and robust market demand, our interconnect chip shipments have increased significantly, driving substantial year-over-year growth in our full year financial results in 2025.

Recently, we have learned that the Antitrust Division of the U.S. Department of Justice commenced a grand jury investigation relating to semiconductors and semiconductor components and requested us to produce certain materials, including business records and internal policies, and provide testimony. We are cooperating with such requests. Following the discussions with our legal advisor on this matter, as of the date of this Prospectus, we understand that neither we nor any of our Directors has been charged with any wrongdoing. As of the date of this Prospectus, we are of the view, as advised by our legal advisor on this matter and taking into account its analysis, considering the current stage of the investigation, we are not able to predict the timing and outcome, including whether any follow-up actions may be taken against us and whether charges will or will not be filed against us or others. If there are any material developments relevant to us on this matter following the Listing, we will disclose in accordance with the Listing Rules. See also “Risk Factors — Risks Related to Our Business and Industry — We are subject to scrutiny under antitrust laws and/or could be involved in related investigations” and “Regulatory Overview — Regulation environment in the U.S. — U.S. Antitrust Laws .”

In September 2025, we launched CXL 3.1 Memory eXpander Controller, now in sampling phase with key customers. Our CXL 3.1 Memory eXpander Controller is compliant with the CXL 3.1 Type 3 specification. Built on a PCIe 6.2 physical layer interface, our CXL 3.1

SUMMARY

Memory eXpander Controller achieves data transfer rates of up to 64 GT/s (x8) and integrates a dual-channel DDR5 memory controller operating at speeds of up to 8,000 MT/s, substantially enhancing data exchange efficiency between the host CPU and backend SDRAM or DIMM modules.

Our CXL 3.1 Memory eXpander Controller not only improves the memory expansion performance and energy efficiency, but also accelerates the industry's adoption of disaggregated memory architectures through standards-based solutions, laying a solid foundation for memory pooling and sharing in next-generation computing infrastructure.

NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that as of the date of this Prospectus, there has been no material adverse change in our financial, operational or trading position, indebtedness, contingent liabilities or prospects between October 1, 2025 (being the date after the end date of our latest audited financial statements) and December 31, 2025 and thereafter up to the date of this Prospectus, and there has been no event since September 30, 2025 that would materially affect the information shown in the Accountants' Report set out in Appendix I to this Prospectus.

DEFINITIONS

In this Prospectus, unless the context otherwise requires, the following terms and expressions shall have the meanings set out below. Certain other terms are explained in “Glossary”.

“A Share(s)”	ordinary share(s) issued by our Company with a nominal value of RMB1.00 each, which is/are traded in Renminbi and listed on the Shanghai Stock Exchange STAR Market
“A Shareholders”	holders of the A Share(s)
“Accountants’ Report”	the accountants’ report of our Company prepared by Ernst & Young, 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” or “Accounting and Financial Reporting Council”	the Accounting and Financial Reporting Council of Hong Kong
“Articles” or “Articles of Association”	the articles of association of our Company, as amended from time to time, which shall become effective upon the Listing Date, a summary of which is set out in Appendix IV to this Prospectus
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Audit Committee”	the audit committee of the Board
“Board” or “our Board”	the board of Directors
“Business Day”	a day on which banks in Hong Kong are generally open to the public for normal business and which is not a Saturday, Sunday or public holiday in Hong Kong
“Capital Market Intermediary(ies)”, “capital market intermediary(ies)” or “CMI(s)”	the capital market intermediaries participating in the Global Offering, with the meaning ascribed thereto under the Listing Rules

DEFINITIONS

“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CEIH”	China Electronics Investment Holding Co., Ltd. (中國電子投資控股有限公司), a limited liability company incorporated in the PRC on August 27, 2012 and our existing Shareholder
“Chief Executive Officer”	the chief executive officer of our Company
“China”, “mainland China”, or “PRC”	the People’s Republic of China, which, for the purposes of this Prospectus and for geographical reference only, excludes Hong Kong, Macau and Taiwan Region
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“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
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”, “our Company” or “the Company”	Montage Technology Co., Ltd. (瀾起科技股份有限公司) (formerly known as Montage Technology (Shanghai) Co., Ltd. (瀾起科技(上海)有限公司)), a limited liability company incorporated in the PRC on May 27, 2004 and restructured into a joint stock company with limited liability in October 2018, and the A Shares of which are listed on the Shanghai Stock Exchange STAR Market (stock code: SSE 688008)
“Compliance Adviser”	Altus Capital Limited
“Concert Party(ies)”	WLT Partners and Zhuhai Rongying
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“connected transaction(s)”	has the meaning ascribed thereto under the Listing Rules

DEFINITIONS

“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Core Management Incentive Plan”	the employee incentive plan of our core senior management approved and adopted on September 19, 2024 and as amended on December 26, 2025, a summary of the principal terms of which is set forth in the section headed “Statutory and General Information — Employee Incentive Plans” in Appendix V
“Corporate Governance Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“CSDCC”	China Securities Depository and Clearing Corporation Limited (中國證券登記結算有限責任公司)
“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)” or “our Director(s)”	the director(s) of our Company
“Dr. Howard C. Yang”	Dr. Howard Chonghe Yang, our co-founder, Chairman of the Board, executive Director, and Chief Executive Officer
“EIT”	the PRC enterprise income tax
“EIT Law”	the PRC Enterprise Income Tax Law (《中華人民共和國企業所得稅法》)
“Employee Incentive Plan 2023”	the employee incentive plan of our Company approved and adopted on June 29, 2023, a summary of the principal terms of which is set forth in the section headed “Statutory and General Information — Employee Incentive Plans” in Appendix V
“Employee Incentive Plan 2024”	the employee incentive plan of our Company approved and adopted on September 19, 2024, a summary of the principal terms of which is set forth in the section headed “Statutory and General Information — Employee Incentive Plans” in Appendix V
“Employee Incentive Plans”	the Employee Incentive Plan 2023, Employee Incentive Plan 2024 and the Core Management Incentive Plan

DEFINITIONS

“Exchange Participant”	a person (a) who, in accordance with the 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
“Extreme Conditions”	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
“F&S”	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., an independent professional market research and consulting company, which is an Independent Third Party
“F&S Report”	an independent market research report commissioned by us and prepared by F&S for the purposes of this Prospectus
“FINI”	“Fast Interface for New Issuance”, the online platform operated by HKSCC that is mandatory for admission to trading and, where applicable, the collection and processing of specified information on subscription in and settlement for the Listing
“General Rules of HKSCC”	The General Rules of HKSCC as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
“Global Offering”	the Hong Kong Public Offering and the International Offering
“Group”, “our Group”, “our”, “we”, or “us”	our Company and its subsidiaries, or any one of them as the context may require, and where the context requires, the businesses operated by our Company and/or its subsidiaries and their predecessors (if any)
“Guide for New Listing Applicants”	the Guide for New Listing Applicants issued by the Hong Kong Stock Exchange, as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“H Share Registrar”	Computershare Hong Kong Investor Services Limited
“H Share(s)”	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 to be listed on the Hong Kong Stock Exchange
“HK\$”, “HKD” or “Hong Kong dollars”	Hong Kong dollar(s), 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 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 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 operation and functions of CCASS, FINI or any other platform, facility or system established, operated and/or otherwise provided by or through HKSCC, as in force from time to time
“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

DEFINITIONS

“Hong Kong Offer Shares”	6,589,000 H Shares (subject to reallocation as described in the section headed “Structure of the Global Offering” in this Prospectus) initially offered by our Company for subscription at the Offer Price pursuant to 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, AFRC transaction levy and Stock Exchange trading fee), on and subject to the terms and conditions described in “Structure of the Global Offering — The Hong Kong Public Offering” in this Prospectus
“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“Hong Kong Takeovers Code” or “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
“Hong Kong Underwriters”	the underwriters of the Hong Kong Public Offering listed in the section headed “Underwriting — Hong Kong Underwriters” in this Prospectus
“Hong Kong Underwriting Agreement”	the underwriting agreement dated January 29, 2026 relating to the Hong Kong Public Offering entered into by, among others, our Company, the Joint Sponsors, the Overall Coordinators and the Hong Kong Underwriters, as further described in the section headed “Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Hong Kong Underwriting Agreement” in this Prospectus
“IFRSs”	the International Financial Reporting 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)
“IIT Law”	the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》)

DEFINITIONS

“Independent Third Party(ies)”	any person(s) or entity(ies) who is not a connected person of the Company within the meaning of the Listing Rules
“Intel Capital”	Intel Capital Corporation, a limited company established in the US on April 6, 1998
“International Offer Shares”	the 59,301,000 H Shares offered by our Company pursuant to the International Offering (subject to reallocation as described in the section headed “Structure of the Global Offering” in this Prospectus) together with any additional H Shares which may be allotted and issued by our Company pursuant to the exercise of the Over-allotment Option
“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 “Underwriting — International 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 expected to be entered into on or about February 5, 2026 by our Company and the International Underwriters, as further described in the section headed “Underwriting — International Offering” in this Prospectus
“Jiaxing Xindian”	Jiaxing Xindian Investment Partnership (Limited Partnership) (嘉興芯電投資合夥企業(有限合夥)), a limited partnership established in the PRC on January 29, 2016 and our existing Shareholder
“Joint Bookrunners”	the Joint Bookrunners as named in the section headed “Directors and Parties Involved in the Global Offering” in this Prospectus

DEFINITIONS

“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” and “Sponsor-Overall Coordinators”	the Joint Sponsors and sponsor-overall coordinator as named in the section headed “Directors and Parties Involved in the Global Offering” in this Prospectus
“Latest Practicable Date”	January 20, 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 February 9, 2026, on which our H Shares are to be listed and from which dealings therein are permitted to take place on the Hong Kong Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Macau”	the Macau Special Administrative Region of the People’s Republic of China
“Main Board”	the stock exchange (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operates in parallel with the GEM of the Hong Kong Stock Exchange
“MOF”	the Ministry of Finance of the PRC (中華人民共和國財政部)
“MOFCOM”	the Ministry of Commerce of the PRC (中華人民共和國商務部)

DEFINITIONS

“Montage Group”	Montage Technology Group Limited, a limited company established under the laws of British Virgin Island on March 29, 2004 and re-domiciled to the Cayman Islands on April 24, 2006
“Mr. Stephen Tai”	Mr. Stephen Kuong-IO Tai, our co-founder, executive Director and president
“Newave Technology”	Newave Technology (Shanghai) Co., Ltd., a limited liability company established in September 1997 under the laws of the PRC, which is primarily engaged in the design of integrated circuit. The then shareholders of Newave Technology (Shanghai) Co. Ltd. include, among others, its founding management team and other renowned institutional investors, such as an affiliate of Walden International, Shanghai Hua Hong Microelectronics Co., Ltd. (currently known as Shanghai Huahong (Group) Co., Ltd.), and an affiliate of Nomura Securities
“Nomination Committee”	the nomination committee of the Board
“North America”	the United States and Canada
“NPC”	the National People’s Congress of the PRC (中華人民共和國全國人民代表大會)
“Offer Price”	the final offer price per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027%, Hong Kong Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%) at which the Offer Shares are to be subscribed for and issued pursuant to the Global Offering as described in the section headed “Structure of the Global Offering” in this Prospectus
“Offer Share(s)”	the Hong Kong Offer Shares and the International Offer Shares, together with any additional H Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option

DEFINITIONS

“Over-allotment Option”	the option granted by us to the International Underwriters, exercisable by the Overall Coordinators (on behalf of the International Underwriters) pursuant to the International Underwriting Agreement, to require our Company to allot and issue up to an aggregate of 9,883,500 additional H Shares at the Offer Price, representing approximately 15% of the Offer Shares initially available under the Global Offering, to cover over-allocations in the International Offering, if any, exercisable at any time from the date of the International Underwriting Agreement up to (and including) the date which is the 30th day from the last day for lodging of applications under the Hong Kong Public Offering
“Overall Coordinators”	the Overall Coordinators as named in the section headed “Directors and Parties Involved in the Global Offering” in this Prospectus
“Overseas Listing Trial Measures”	the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies and supporting guidelines (《境內企業境外發行證券和上市管理試行辦法》及配套指引) promulgated by the CSRC on February 17, 2023 which 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
“PRC Company Law”	the Company Law of the PRC (中華人民共和國公司法), as amended, supplemented or otherwise modified from time to time
“PRC GAAP”	generally accepted accounting principles of the PRC
“PRC Legal Adviser”	Grandall Law Firm (Shanghai), the PRC legal adviser to our Company in connection with the Global Offering
“PRC 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

DEFINITIONS

“Price Determination Agreement”	the agreement to be entered into by the Overall Coordinators (for themselves and on behalf of the Hong Kong 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 before February 5, 2026 (Hong Kong time) on which the Offer Price is determined, or such later time as our Company and the Overall Coordinators (for themselves and on behalf of the Underwriters) may agree, but in any event not later than 12:00 p.m. on February 5, 2026
“Prospectus”	this prospectus being issued in connection with the Hong Kong Public Offering
“QIB(s)”	qualified institutional buyer(s) within the meaning of Rule 144A
“Regulation S”	Regulation S under the U.S. Securities Act
“Remuneration and Evaluation Committee”	the remuneration and evaluation committee of the Board
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Rule 144A”	Rule 144A under the U.S. Securities Act
“SAFE”	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
“Samsung Venture”	SVIC No. 28 New Technology Business Investment L.L.P., a limited partnership established in the South Korea on February 5, 2015, the general partner of which is Samsung Venture Investment Co., Ltd.
“SAT”	the State Administration of Taxation of the PRC (中華人民共和國國家稅務總局)
“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, supplemented or otherwise modified from time to time

DEFINITIONS

“Shanghai Linxin Entities”	Shanghai Linli Investment Partnership (Limited Partnership) (上海臨理投資合夥企業(有限合夥)), Shanghai Linfeng Investment Partnership (Limited Partnership) (上海臨豐投資合夥企業(有限合夥)), Shanghai Linji Investment Partnership (Limited Partnership) (上海臨驥投資合夥企業(有限合夥)), Shanghai Linqi Investment Partnership (Limited Partnership) (上海臨齊投資合夥企業(有限合夥)), Shanghai Linguo Investment Partnership (Limited Partnership) (上海臨國投資合夥企業(有限合夥)), Shanghai Lintong Jianfa Investment Partnership (Limited Partnership) (上海臨桐建發投資合夥企業(有限合夥)), Shanghai Linli Investment Partnership (Limited Partnership) (上海臨利投資合夥企業(有限合夥)), all of which are subject to the common control of an overlapping general partner, namely Shanghai Linxin Investment Management Co., Ltd. (上海臨芯投資管理有限公司) at the time of conversion of our Company into a joint stock company
“Shanghai Stock Exchange”	the Shanghai Stock Exchange (上海證券交易所)
“Shanghai Stock Exchange STAR Market”	the Science and Technology Innovation Board of the Shanghai Stock Exchange
“Share(s)”	ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each, including A Shares and H Shares
“Shareholder(s)”	holder(s) of the Share(s)
“sq.m.”	square meter(s)
“Stabilizing Manager”	Morgan Stanley Asia Limited
“State Council”	the State Council of the PRC (中華人民共和國國務院)
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules

DEFINITIONS

“Track Record Period”	the period comprising the three financial years ended December 31, 2022, 2023 and 2024 and the nine months ended September 30, 2025
“treasury shares”	has the meaning ascribed thereto under the Listing Rules
“U.S. dollars”, “US\$” or “USD”	United States dollars, the lawful currency of the United States
“U.S. persons”	U.S. persons as defined in Regulation S
“U.S. Securities Act”	the U.S. Securities Act of 1933, as amended, supplemented or otherwise modified from time to time
“Underwriters”	the Hong Kong Underwriters and the International Underwriters
“Underwriting Agreements”	the Hong Kong Underwriting Agreement and/or the International Underwriting Agreement, as the context may require
“United States” or “U.S.” or “USA”	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
“VAT”	value-added tax
“ White Form eIPO ”	the application process for Hong Kong Offer Shares with applications issued in the applicant’s own name and submitted online through the designated website of the White Form eIPO Service Provider at <u>www.eipo.com.hk</u>
“ White Form eIPO Service Provider”	Computershare Hong Kong Investor Services Limited
“WLT Partners”	WLT Partners, L.P., a limited partnership incorporated under the laws of Cayman Islands on October 15, 2015, our existing Shareholder and a Concert Party. For details of the shareholding structure of WLT Partners, see “Substantial Shareholders”

DEFINITIONS

“Xinyun Entities”	Jiaxing Hongyue Investment Partnership (Limited Partnership) (嘉興宏越投資合夥企業(有限合夥)), Jiaxing Monet Equity Investment Partnership (Limited Partnership) (嘉興莫奈股權投資合夥企業(有限合夥)), Xinyun Capital Fund I, L.P., Xinyun Capital Fund, L.P., Xinyun Capital Fund III, L.P., the exercise of the voting rights of which are subject to ultimate common control at the time of conversion of our Company into a joint stock company
“Zhuhai Rongying”	Zhuhai Rongying Investment Partnership (Limited Partnership) (珠海融英投資合夥企業(有限合夥)), (formerly known as “Zhuhai Rongying Equity Investment Partnership (Limited Partnership) (珠海融英股權投資合夥企業(有限合夥))”, and currently known as Shanghai Rongying Enterprise Management Partnership (Limited Partnership) (上海融迎企業管理合夥企業(有限合夥))) a limited partnership established in the PRC on February 4, 2016, our existing Shareholder and a Concert Party. For details of the shareholding structure of Zhuhai Rongying, see “Substantial Shareholders”
“%”	per cent

Certain amounts and percentage figures included in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

For ease of reference, the names of Chinese laws and regulations, governmental authorities, institutions, natural persons or other entities (including our subsidiary) 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.

Unless otherwise stated, 12,533,000 repurchased A Shares which are held as treasury shares by the Company as at the Latest Practicable Date have been included in the total number of issued Shares as at the Latest Practicable Date and immediately after completion of the Global Offering. For details of the repurchased A Shares, see “Appendix V — Changes in the Share Capital of our Company.”

GLOSSARY

This glossary contains definitions of certain technical terms used in this prospectus in connection with us and our business. These may not correspond to standard industry definitions and may not be comparable to similarly terms adopted by other companies.

“AEC”	active electrical cables, high-speed data transmission cables that contain IC to boost signal quality, enabling longer reach and improved performance compared to passive cables while using traditional copper conductors
“AI”	artificial intelligent
“CAGR”	compound annual growth rate
“chip”	a miniature electronic device or component that interconnects essential circuit elements, such as transistors, diodes, resistors, capacitors and inductors, through specific wiring methods with semiconductor fabrication processes into a complete electronic circuit, which are formed on one or several small semiconductor wafers or dielectric substrates and encapsulated in a package
“cluster networking”	the network infrastructure and configuration that connect multiple servers in a computing cluster to enable high-speed and low latency communication
“CKD”	a DDR5 clock driver, a specialized buffer IC used on client DDR5 memory modules to buffer and re-drive signals from the memory controller to the DRAM chips, which improves signal integrity by reducing clock jitter and loading, supporting higher frequencies for client modules
“CPU”	central processing unit, a mass integrated circuit that serves as the computational and controlling core of electronic devices
“CXL”	compute express link, an open industry standard high-speed interconnect that enables efficient, low-latency communication between CPUs and accelerators, memory expanders, or other devices, supporting memory coherence and advanced computing

GLOSSARY

“data center”	a complex facility that houses not only computer systems and related equipment, but also includes redundant data communication links, environmental controls, monitoring systems and various security devices, which provides large-scale, high-quality, secure and reliable services such as professional server hosting, space leasing and wholesale bandwidth to internet content providers and websites
“dB”	decibel, a logarithmic unit used to express the ratio between two values, commonly used to measure signal strength, power gain/loss, or sound intensity in electronics and telecommunications
“DB”	data buffer, a device used to buffer and re-drive data signals coming from the memory controller or memory chips
“DDR”	double data rate, a memory technology used to double the data transfer rate by transmitting data on both the rising and falling edges of the clock signals
“DFE”	decision feedback equalization, a signal processing technique used in high-speed data communication to correct inter-symbol interference, which works by using previously detected bits to subtract expected distortion from the current signal, improving signal clarity and reducing error rates
“DIMM”	dual in-line memory module, a type of memory module used in computers, consisting of DRAM chips mounted on a small circuit board with separate electrical contacts on each side, allowing for wider data paths and higher performance compared to older SIMMs
“DRAM”	dynamic random access memory, a semiconductor storage device
“DSC”	dynamic security check, a real-time assessment of system or application behavior to detect security threats

GLOSSARY

“EDSFF”	Enterprise & Data Center SSD Form Factor, a solid-state drive (SSD) form factor standard specifically designed for enterprise storage systems and data centers, aimed at delivering storage solutions with higher density, improved thermal management, and enhanced scalability
“Ethernet”	a widely used networking technology that enables devices to communicate over a local area network using standardized protocols for data transmission via wired connections
“fabless”	IC design companies that focus solely on IC research, development and sales, while outsourcing wafer fabrication, packaging and testing to specialized foundries and service providers; the term is sometimes also used to refer to this business model
“foundry”	a manufacturer specializing in the production and manufacture of chips in the field of integrated circuits
“frequency”	the rate at which a power electronic device, such as a switch or rectifier, operates; it is a crucial factor influencing the performance and efficiency of power systems
“GPU”	A specialized processor primarily designed for rapid rendering of images and video, which is now widely used for parallel processing tasks in scientific computing, AI, and cloud machine learning
“GT/s”	gigatransfers per second, a unit measuring data transfer rate, commonly used in PCI Express and other high-speed interfaces
“IC”	integrated circuit, a small unit or package which is made as a single indivisible structure (such as a chip) and is electrically equivalent to a conventional circuit of many separate components
“IC design”	the entire process of circuit function definition, structural design, circuit design and simulation, layout design and verification, as well as subsequent post-design processing

GLOSSARY

“IDM”	integrated device manufacturer, whose business scope covers all stages of the IC value chain, including IC design, wafer fabrication, packaging and testing and sales; the term is sometimes also used to refer to this business model
“I ² C”	inter-integrated circuit, a multi-master, multi-slave serial communication protocol that enables low-speed data exchange between chips on a circuit board using only a data line and a clock line
“I ³ C”	improved inter-integrated circuit, a high-speed, low-power communication protocol designed as the successor to I ² C
“I/O”	input/output
“JEDEC”	Joint Electron Device Engineering Council (now known as the JEDEC Solid State Technology Association), a global organization in developing open standards for the microelectronics industry
“LRDIMM”	load reduced dual in-line memory module, a type of memory module that uses a buffer to reduce the electrical load on the memory controller, enabling higher memory capacity and improved signal integrity, particularly in servers and advanced systems
“MDB”	multiplexed rank data buffer, a memory buffer chip that manages data signals for multiple memory ranks by multiplexing them, which improves memory system performance and capacity by efficiently handling data flow between the memory controller and several DRAM ranks on a module
“memory”	a storage device within an electronic system used to store programs and data, such as all information in a computer including input data, computing programs, intermediate results and final outputs, which stores and retrieves information according to the addresses specified by the controller
“MHz”	megahertz, a unit of frequency equal to one million cycles per second

GLOSSARY

“MRCD”	multiplexed rank registering clock driver, a specialized buffer chip used in memory modules to buffer and re-drive clock, address, and command signals efficiently across multiple memory ranks, improving signal integrity and enabling higher memory speeds and capacities
“MRDIMM”	multiplexed rank dual in-line memory module, a high-bandwidth server memory module based on the DDR5 LRDIMM architecture adopting the “1+10” design consisting of one MRCD chip and 10 MDB chips, which, compared with RDIMM and LRDIMM, enables simultaneous access to two memory arrays on the module and effectively doubles the bandwidth; the first generation of MRDIMM is also referred to MCRDIMM by some manufacturers
“MT/s”	mega transfers per second, a unit measuring data transfer rate
“MXC”	memory expansion controller, the core chip of high-bandwidth and high-capacity memory expansion modules based on the CXL protocol, which connects to the host via the CXL interface and enables high-bandwidth and low-latency memory access for server systems
“NIC”	network interface card, a hardware component that connects a computer or server to a network, enabling communication over local area networks or the internet
“NVMe SSD”	non-volatile memory express solid-state drive, a high-speed storage device that provides fast data transfer, low latency and efficient access to flash memory
“ODM”	original design manufacturer
“OEM”	original equipment manufacturer
“packaging”	the process of encapsulating the bare die into a finished chip product with external shell and leads, which is electrically connected to external pins through wires or other interconnection methods and then securely closed; IC packaging not only provides electrical connections between the internal bonding points of the chip and the external circuitry, but also offers a stable and reliable operating environment, ensuring proper functionality, high stability and long-term reliability

GLOSSARY

“PAM4”	four-level pulse amplitude modulation, a high-speed digital signal modulation technique that encodes data using four voltage levels, enabling the transmission of two bits per symbol, which doubles the data rate within the same bandwidth compared with NRZ technology
“PCIe”	peripheral component interconnect express, a high-speed serial interface standard used to connect components like graphics cards, SSDs, and NICs to a computer’s motherboard, offering fast data transfer and scalable bandwidth through multiple lanes
“PCIe Retimer”	a high-speed PCIe signal conditioning chip that compensates for channel attenuation and mitigates jitter to enhance signal integrity and extend signal reach, which serves as a critical interconnect component in applications such as cloud computing, AI, and data centers
“PCIe Switch”	PCIe switch chip, a core interconnect component in data centers, AI acceleration systems, and storage systems, expands PCIe topology to enable efficient communication among multiple devices, addressing bandwidth bottleneck issues between hosts and peripheral devices
“PCI-SIG”	Peripheral Component Interconnect Special Interest Group, an international industry consortium focused on the development and management of computer bus standards with a core mission to promote the standardization and adoption of technologies including peripheral component interconnect
“photomask”	a key piece of photolithography equipment used in semiconductor manufacturing, which contains the circuit pattern to be projected onto the wafer and plays a critical role in defining the features of IC
“PMIC”	power management IC, a specialized integrated circuit that manages voltage regulation, power distribution, and real-time monitoring in electronic systems, which optimizes power efficiency while ensuring stable operation across all power domains

GLOSSARY

“PrC”	Pre-Check, a hardware-level security checking mechanism that verifies CPU instructions before execution to enhance processor safety
“RCD”	registering clock driver, a device used to buffer and re-drive address, command and control signals coming from the memory controller to DRAM devices
“RDIMM”	registered dual in-line memory module, a type of memory module that uses RCD chips to buffer address, command, and control signals. It is mainly used in servers
“R&D”	research and development
“Security & Trust Computing Accelerator”	a dedicated hardware component designed to offload and accelerate security functions (e.g., cryptographic operations, secure boot, authentication, attestation) from the main CPU, enhancing system security and enabling trusted computing environments
“SerDes”	Serializer/Deserializer, a reusable hardware design block used in chip design, which enables high-speed serial data communication by converting parallel data into serial form for transmission and converting it back on reception
“SoC”	system on chip, an application-specific IC that contains a complete system, including all necessary hardware and embedded software components, integrated onto a single chip
“SPD”	serial presence detect, a small chip on a memory module that stores configuration information, such as size, speed, voltage and timing, which the system reads during boot to correctly initialize the memory
“SSD”	solid-state drive, a storage device that uses flash memory to store data, offering faster read/write speeds, lower latency and greater durability compared to traditional mechanical hard drives
“tape-out”	the final stage in the IC design process where the verified physical design data (photomask sets) is released to the semiconductor foundry for wafer fabrication

GLOSSARY

“TCO”	total cost of ownership
“testing”	the process of wafer testing, final product testing reliability testing and failure analysis
“TS”	temperature sensor
“UALink”	an open industry Interconnect standard meeting market demand for advanced AI Accelerator-to-Accelerator communication
“UPI”	ultra path interconnect, a high-speed, point-to-point processor interconnect technology used to link multiple CPUs in a multiprocessor system, enabling fast data transfer and coherence between processors
“USB3.x”	a series of universal serial bus standards starting from USB 3.0 onward
“voltage” or “V”	voltage, the unit of electric potential or voltage, which measures the difference in electric potential between two points in a circuit
“wafer”	a circular silicon substrate used in the manufacturing of ICs, where various circuit structures can be fabricated to produce IC products with specific electrical functions
“1+9”/“1+10”	a distributed memory buffer subsystem architecture that employs one RCD chip working in conjunction with multiple DB chips, which significantly reduces the load effect between the CPU and DRAM, lowers signal transmission loss and addresses the trade-off between large memory capacity and high speed; this architecture consists of one RCD chip and nine DB chips in the DDR4 generation (“1+9”), and one RCD chip and ten DB chips in the DDR5 generation (“1+10”)

FORWARD-LOOKING STATEMENTS

We have included in this Prospectus forward-looking statements. Statements that are not historical facts, including but not limited to statements about our intentions, beliefs, expectations or predictions for the future, are forward-looking statements. When used in this Prospectus, the words “aim”, “anticipate”, “believe”, “could”, “expect”, “going forward”, “intend”, “ought to”, “project”, “seek”, “should”, “will”, “would”, “vision”, “aspire”, “target”, “schedule”, and the negative of these words and other similar expressions, as they relate to us or our management, are intended to identify forward-looking statements. 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 risk factors as described in this Prospectus, some of which are beyond our control and may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks and uncertainties facing us which could affect the accuracy of forward-looking statements include, but are not limited to, the following:

- our operations and business prospects;
- our ability to maintain relationship with, and the actions and developments affecting, our customers and suppliers;
- future developments, trends and conditions in the industries and markets in which we operate or plan to operate;
- general economic, political and business conditions in the markets in which we operate;
- changes to the regulatory environment in the industries and markets in which we operate;
- our ability to maintain our market position;
- the actions and developments of our competitors;
- our ability to effectively contain costs and optimize pricing;
- the ability of third parties to perform in accordance with contractual terms and specifications;
- our ability to retain senior management and key personnel and recruit qualified staff;
- our business strategies and plans to achieve these strategies;

FORWARD-LOOKING STATEMENTS

- the effectiveness of our quality control systems;
- change or volatility in interest rates, foreign exchange rates, equity prices, trading volumes, commodity prices and overall market trends; including those pertaining to the PRC and the industry and markets in which we operate; and
- capital market developments.

By their nature, certain disclosures relating to these and other risks are only estimates and should one or more of these uncertainties or risks, among others, materialize, actual results may vary materially from those estimated, anticipated or projected, as well as from historical results. Specifically but without limitation, sales could decrease, costs could increase, capital costs could increase, capital investment could be delayed and anticipated improvements in performance might not be fully realized.

Subject to the requirements of applicable laws, rules and regulations, we do not have any or undertake no obligation to update or otherwise revise the forward-looking statements in this Prospectus, whether as a result of new information, future events or otherwise. As a result of these and other 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 in this Prospectus are qualified by reference to the cautionary statements in this section as well as the risks and uncertainties discussed in the section headed “Risk Factors.”

In this Prospectus, statements of or references to our intentions or those of our Directors were made as of the date of this Prospectus. Any such information may change in light of future developments.

RISK FACTORS

An investment in our H Shares involves various risks, some of which could be significant. You should carefully consider all of the information in this Prospectus, including the risks and uncertainties described in this “Risk Factors” section, 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 and 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 titled “Forward-Looking Statements” of this Prospectus.

RISKS RELATED TO OUR BUSINESS AND INDUSTRY

The success of our business is dependent upon our ability to introduce products on a timely basis with features and performance levels that provide value to our customers while supporting and anticipating significant industry transitions.

Our success depends to a significant extent on the development, implementation and acceptance of new products that provide value to our customers. Our ability to develop and launch new products and related technologies to meet evolving industry requirements, at prices acceptable to our customers on a timely basis, are significant factors in determining our competitiveness in our target markets. Due to the high technical content of our products, there is a risk of misjudging our own capabilities, particularly in assessing technological development capacity. This may result in the failure to realize research and development projects or prolonged development cycles. We cannot assure you that our efforts to execute our product roadmap will result in innovative products and technologies that provide value to our customers. If we fail to or are delayed in developing or launching new products or technologies that provide value to our customers and address these new trends or if we fail to predict which new functionality, features or form factors consumers will adopt and adjust our business accordingly, which could negatively affect our business.

Products that fail to meet their specifications or are defective could impose significant costs on us or result in loss of business.

Our product and solution offerings are complex and may in the future contain defects or security vulnerabilities, or experience failures or unsatisfactory performance due to any issue in design, fabrication, packaging, testing, materials and/or applications in use cases. For example, defects or failure of our products to perform to specifications could lead to substantial damage to users. These risks may increase as our products and solutions are introduced into new devices, markets, technological environment and applications or as new features are released. These risks further increase when we rely on partners to supply and manufacture components that are used in our products, as these arrangements reduce our direct control over

RISK FACTORS

production. Some failures in our products and solutions may in the future be only discovered after such products and solutions have been delivered or even used for an extended period of time. Undiscovered vulnerabilities in our products and solutions could result in unsatisfactory user experiences, loss of data or other technical incidents, or could expose our end customers to unscrupulous third parties who develop and deploy malicious software programs that could attack our products and solutions.

Additionally, our efforts to remedy these issues may not be timely or satisfactory to our customers. An error or defect in products after commercial delivery could result in failure to achieve market acceptance, loss of design wins, temporary or permanent withdrawal of a product from market, harm to our relationships with customers and partners and our brand reputation, which would in turn negatively impact our results of operations and financial performance. We may be required to reimburse our customers or partners, including for costs to repair or replace products in the field or in connection with indemnification obligations, may be subject to other administrative penalties imposed by regulatory agencies in the event of violation of applicable laws and regulations.

The semiconductor industry is cyclical, and increased levels of inventory may lead to oversupply and lower prices, and conversely, if we do not hold sufficient inventory, we may not be able to satisfy unexpected demand for our products.

The cyclical nature of the semiconductor industry has resulted in periods when demand for our products has increased or decreased rapidly. If we overbuild inventory in a period of decreased demand, or we expand our operations too rapidly or procure excessive resources in anticipation of increased demand for our products, and that demand does not materialize at the pace at which we expect, or declines, our operating results may be adversely affected as a result of charges related to obsolete inventory, inventory write-downs, increased operating expenses or reduced margins. For instance, we witnessed a decline of our revenue in 2023, primarily due to the cyclical inventory destocking across the broader industry. According to Frost & Sullivan, the semiconductor and downstream industries, such as server and computer manufacturing, experienced a widespread inventory destocking in 2023, stemmed from overstocking in response to previous supply chain disruptions. Our sales subsequently decreased as downstream clients cut purchases to deplete existing inventory.

In the future, we may experience periods of inventory adjustments by our customers and distributors as we may not be able to accurately predict our inventory level as we utilize distributors to sell our products that may adversely affect our operating results. In addition, we may not be able to expand our operations in a sufficiently timely manner, procure adequate resources and raw materials, locate suitable third-party suppliers or respond effectively to changes in demand for our existing products or to demand for new products requested by our customers and/or distributors, and our current or future business could be materially and adversely affected. Changes in our customers' order patterns could result in us holding excess quantities of inventory which could result in us recording reserves for excess and obsolete inventory. Any such reserves would have an adverse effect on our operating results and financial condition.

RISK FACTORS

We periodically transition to newer generations of our semiconductor products as the market shifts to demand for such products. These transitions are difficult to forecast and may result in under-supply or over-supply of inventory by product generation, which may negatively impact revenue and inventory reserves.

We are investing heavily in our research and development, and such investment may not generate the results we expect to achieve.

Our technological capabilities and infrastructure are critical to our success. We have been investing heavily in our research and development efforts. In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, we incurred research and development expenses of RMB563.5 million, RMB681.8 million, RMB763.5 million, RMB552.3 million and RMB533.2 million, respectively, accounting for 15.3%, 29.8%, 21.0%, 21.5% and 13.1% of our total revenue for the same periods. The industry in which we operate are subject to rapid technological changes and are evolving quickly in terms of technological innovation. We need to invest significant resources, including financial resources, in research and development to lead technological advancement in order to make our solutions innovative and competitive in the market. As a result, we expect that our research and development expenses will remain high.

Our research and development efforts with respect to new technologies may not result in customer or market acceptance. Some or all of those technologies may not successfully make the transition from the research and development stage to cost-effective production as a result of technology problems, competitive cost issues, yield problems, and other factors. Even if we successfully complete a research and development effort with respect to a particular technology, our customers may decide not to introduce or may terminate products utilizing the technology for a variety of reasons, including difficult compatibilities with other suppliers of components for our customers' products, superior technologies developed by our competitors and unfavorable comparisons of our products with these technologies, price considerations and lack of anticipated or actual market demand for the products.

Furthermore, research and development activities are inherently uncertain, and we might encounter practical difficulties in commercializing our research and development results. We cannot assure you that we will be able to develop, enhance or adapt to new technologies and methodologies, successfully identify new technological opportunities, develop and bring new or enhanced products and solutions to market, obtain sufficient or any patent or other intellectual property protection for such new or enhanced products and solutions, or, if such products and solutions are introduced, that they will achieve market acceptance. Our development of new products is characterized by long cycles and with significant investment. During the product planning stage, there is a risk of misjudging market demand, which may result in incorrect product positioning. Our significant expenditures on research and development may not generate corresponding benefits. Given the fast pace with which the technology has been and will continue to develop, we may not be able to timely upgrade our technologies in a cost-effective and timely manner. New technologies could render our technologies, our technological infrastructure or products and solutions that we are developing

RISK FACTORS

or expect to develop in the future obsolete or unattractive, thereby limiting our ability to recover related research and development costs, which could result in a decline in our revenues, profitability and market share.

We are subject to the risk of customer concentration, and our revenue could be adversely affected if we lose or are prevented from selling to any of our top customers.

Our operating results have been dependent on, our collaboration with a small number of customers in the foreseeable future. Revenue generated from our five largest customers of each year/period of the Track Record Period was RMB3,091.1 million, RMB1,713.3 million, RMB2,790.7 million and RMB3,116.3 million in 2022, 2023, 2024, and the nine months ended September 30, 2025, accounting for 84.2%, 74.8%, 76.7% and 76.8% of our total revenue in the respective years/period. See “Business — Our Customers.” We expect to continue to experience significant revenue concentration for the foreseeable future. Our customers’ demand for our products may fluctuate due to factors beyond our control. We could experience fluctuations in our customer base or the mix of revenue by customer as markets and strategies evolve. A disruption in our relationship with any of our key customers could adversely affect our business. In addition, any consolidation of our customers could reduce the number of customers to whom our products may be sold or the demand for our products. Our inability to meet our customers’ requirements or to qualify our products with them could adversely impact our revenue. The loss of, or restrictions on our ability to sell to, one or more of our major customers or any significant reduction in orders from, or a shift in product mix by customers, could have a material adverse effect on our operating results and financial condition.

Our procurement agreements with customers typically do not obligate them to purchase our solutions in any certain quantity. There still exists a risk that any loss of sales from our current customers could adversely affect our revenue. In the future, these customers may decide to purchase fewer products than they did in the past, not to incorporate our products into their business, delay their purchases of our products, or to alter their purchasing patterns in some other way, which could adversely affect our business, results of operations, financial performance and prospects.

If we do not keep pace with technological innovations or customers’ increasing technological requirements, we may not be able to enhance our existing products and our products may not be competitive, and our operating results may suffer.

We operate in rapidly changing, highly competitive markets. Technological advances, the introduction of new products and services, and new design techniques could adversely affect our business unless we are able to adapt to changing conditions. Technological advances could render our products and technologies less competitive or obsolete, and we may not be able to respond effectively to the technological requirements of evolving markets. We may therefore be required to commit significant resources to enhancing and developing new technology, which may include purchasing or licensing advanced design tools and test equipment, hiring additional highly qualified engineering and other technical personnel, and continuing and expanding research and development activities on existing and potential technologies.

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Our existing product offerings may present new and difficult challenges, and we may be subject to claims if customers of our offerings experience delays, failures, non-performance or other quality issues. In particular, we may experience difficulties with product design, qualification, manufacturing, including supply chain disruptions or shortages that might lead to an inability to meet customer demand, marketing or certification that could delay or prevent our development, introduction or marketing and sales of products. Although we intend to design our products to be fully compliant with applicable industry standards, proprietary enhancements may not in the future result in full conformance with existing industry standards under all circumstances. Further, our products must be enhanced periodically to keep up with evolving system requirements. Our introduction of new products could reduce the demand and revenue of our older products or affect their pricing.

If we are unable to attract, hire, retain and motivate our key engineers and employees, our business may be harmed.

To be competitive and to execute our business strategy successfully, we must attract, hire, retain and motivate our engineers and employees and recruit and develop diverse talent. Many of our key executives and core employees would be difficult to replace due to experience and the high entry barriers in IC design industries. Labor is subject to external factors that are beyond our control, including our industry's highly competitive market for skilled professionals and experts, cost inflation and workforce participation rates. Changes in immigration and work permit regulations or in their administration or interpretation could impair our ability to attract and retain qualified employees. Competition for personnel results in increased costs in the form of cash and stock-based compensation, and in times of stock price volatility, as we may experience in the future, the retentive value of our stock-based compensation may decrease. Additionally, we are highly dependent on the services of our longstanding executive team. Failure to ensure effective succession planning, transfer of knowledge and smooth transitions involving executives and key employees could hinder our strategic planning and execution and long-term success.

We operate in a competitive industry.

During the Track Record Period, we operate in the semiconductor industry and our customers include memory module manufacturers and server OEM/ODMs around of the world. The semiconductor industry is intensely competitive with many market players and increasing investments across the world according to Frost & Sullivan, and has been impacted by rapid technological change, short product life cycles, cyclical market patterns, price erosion and increasing foreign and domestic competition. We are subject to many risks beyond our control that influence whether or not we are successful in winning target customers or retaining existing customers, including, primarily, competition in the interconnect chips related fields, market acceptance of our customers' products and the financial resources of such customers. In particular, we may face risks of market share fluctuations and revenue decline if we are unable to consistently and sustainably acquire new customers or maintain incremental business

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with existing customers. As a result of ongoing competition in the markets in which we operate, we may achieve reduced market share or may experience tightening of customers' operating budgets, price pressure, reduction in downstream demand, lengthening of the approval process for new products and consolidation among our customers. All of these factors may adversely affect the demand for our products and technologies and may cause us to experience substantial fluctuations in our operating results and financial condition.

We face competition from major interconnect chip providers and other semiconductor companies. We risk competition from new market entrants, some of whom may not come from the traditional semiconductor industry. Our competitors are or can be larger and may have better access to financial, technical and other resources than we possess and may be able to develop and advance competitive products more effectively.

Reliance on third-party suppliers and their technology to manufacturing, assembly, testing, or packaging of our products presents potential risks, such as supply shortages, delays or non-compliance, could harm our business.

Since our inception, we have adopted a fabless model to operate our business. This approach allows us to focus on design, innovation, and market responsiveness while outsourcing fabrication, packaging and testing to trusted partners. By leveraging this model, we remain agile, cost-effective, and scalable, ensuring we can meet the growing demands of the market effectively. We rely on third parties for fabrication, packaging and testing of our products. In 2022, 2023 and 2024 and the nine months ended September 30, 2025, the aggregate purchase amounts from our five largest suppliers of each year/period of the Track Record Period were RMB2,341.6 million, RMB910.9 million, RMB1,512.8 million and RMB1,783.2 million, representing 89.4%, 68.0%, 77.8% and 81.8% of our total purchase amount in the respective years/period. We face several risks which could adversely affect our ability to meet customer demand and scale our supply chain, negatively impact longer-term demand for our products, and adversely affect our business operations, gross margin, revenue and/or financial results, including:

- failure by our foundries to develop, obtain or successfully implement high quality process technologies needed to manufacture our products;
- limited number and geographic concentration of third-party suppliers;
- loss of a supplier and additional expense and/or production delays as a result;
- lack of direct control over third-party suppliers regarding product quantity, quality and delivery schedules;
- suppliers or their suppliers failing to supply high quality products, services and/or making changes to their products or services without our qualification;

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- delays in product shipments, shortages, a decrease in product quality and/or higher expenses in the event our third-party suppliers prioritize our competitors' or other customers' orders over ours;
- requirements to place orders that are not cancellable upon changes in demand or requirements to prepay for supply in advance;
- low manufacturing yields resulting from a failure to execute our product design, whether or not it is related to a foundry's process technology;
- change of laws and/or regulations, including any international trade policies, geopolitics and trade protection measures, that result in disruptions in our business relationship with third-party vendors; and
- disruptions in manufacturing, assembly and other processes due to closures related to natural disasters and other incidents.

If we fail to manage our relationships with these manufacturers and suppliers effectively, or if they experience delays, disruptions, geopolitical changes, capacity constraints/allocation pressures or quality control problems in their operations, our ability to ship products to our customers could be impaired and our competitive position and reputation could be harmed. In addition, any adverse change in any of our manufacturers and suppliers' financial or business condition could disrupt our ability to supply quality products to our customers. If we are required to change our manufacturers, we may lose revenue, incur increased costs and damage our end-customer relationships. In addition, porting to and qualifying a new manufacturer and commencing production can be an expensive and lengthy process. If our third-party manufacturers or suppliers are unable to provide us with adequate supplies of high-quality products for any other reason, we could experience a delay in our order fulfillment, and our business, operating results and financial condition would be adversely affected. In the event these and other third parties we rely on fail to provide their services adequately, including as a result of errors in their systems, industry pressures or events beyond their control, or refuse to provide these services on terms acceptable to us, and we are not able to find suitable alternatives, our business may be materially and adversely affected. In addition, our orders may represent a relatively small percentage of the overall orders received by our manufacturers from their customers. As a result, fulfilling our orders may not be considered a priority in the event our manufacturers are constrained in their ability to fulfill all of their customer obligations in a timely manner. If our manufacturers are unable to provide us with adequate supplies of high-quality products, or if we or our manufacturers are unable to obtain adequate quantities of components, it could cause a delay in our order fulfillment, in which case our business, operating results and financial condition could be adversely affected.

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Additionally, various sources of supply-chain risk, including strikes or shutdowns at delivery ports or loss of or damage to our products while they are in transit or storage, IP theft, losses due to tampering, third-party vendor issues with quality or sourcing control, failure by our suppliers to comply with applicable laws and regulations, potential tariffs or other trade restrictions, geopolitical uncertainty and related military actions or other similar problems could limit or delay the supply of our products. Any interruption or delay in manufacturing or component supply, any increases in manufacturing or component costs, or the inability to obtain these services or components from alternate sources at acceptable prices and within a reasonable amount of time would harm our ability to provide our products to customers on a timely basis. This could harm our relationships with our customers, prevent us from acquiring new customers and materially and adversely affect our business.

Changes to industry standards and technical requirements relevant to our products and markets could adversely affect our business, results of operations and prospects.

Many of our products form parts of larger microelectronics systems. Products incorporated into these systems must comply with various industry standards and technical requirements created by industry standard-setting bodies or industry participants in order to operate efficiently together. We are one of the board members of the JEDEC, a global microelectronics industry standard setting organization. The industry standards and technical requirements developed by JEDEC are evolving and may change significantly over time. In addition, large industry-leading semiconductor and electronics companies play a significant role in developing standards and technical requirements for the product ecosystems within which our products can be used. Our customers also may design certain specifications and other technical requirements specific to their products and solutions. These technical requirements may change as customers introduce new or enhanced products and solutions.

Our ability to compete in the future will depend on our ability to identify and comply with evolving industry standards and technical requirements. The emergence of new industry standards and technical requirements could render our products incompatible with products developed by other suppliers or make it difficult for our products to meet the requirements of certain of our customers in consumer, industrial and other markets. As a result, we could be required to invest significant time and effort and to incur significant expense to redesign our products to ensure compliance with relevant standards and requirements. If our products are not in adherence to prevailing industry standards and technical requirements for a significant period of time, we could miss opportunities to achieve crucial design wins, our revenue may decline and we may incur significant expenses to redesign our products to meet the relevant standards, which could adversely affect our business, results of operations and prospects.

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We are exposed to risks associated with our global presence and will continue to be subject to such risks as we continue to expand our business overseas. Changes to the global economic environment as well as diplomatic and trade relationships could negatively impact our operating results and result in fluctuations to the demand for our products.

We operate our business in China and overseas, including multiple Asia markets. During the Track Record Period, overseas revenues accounted for a majority of our total revenues. In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, our overseas sales amounted to approximately RMB2,455.4 million, RMB1,920.5 million, RMB2,577.3 million, RMB1,798.4 million and RMB2,921.1 million, representing approximately 66.9%, 84.0%, 70.8%, 70.0% and 72.0% of our total revenue. With our global presence, we may be subject to the following risks:

- challenges in providing products, services and support, in recruiting personnel in international markets, and in managing sales channels and distribution networks effectively;
- revenue fluctuation from period to period in the future due to unfavorable market conditions, intensified competition, unattractive products and services, downward pressure on our selling price and any other inherent risks associated with our international business operations;
- challenges in commercializing our products in new markets where we have limited experience with the local market dynamics and no existing or developed sales, distribution and marketing infrastructure;
- difficulties in dealing with regulatory regimes, regulatory bodies and government policies with which we may be unfamiliar, in order to obtain permits, licenses and approvals necessary to import, market and sell products in or to various jurisdictions;
- potentially reduced protection for our intellectual property rights and potential breach of third-party intellectual rights;
- differences in accounting treatment in different jurisdictions, potential adverse tax implications and foreign exchange losses;
- inability to effectively enforce contractual or legal rights; and
- changes in laws, regulations and policies as well as political, economic and market instability or civil unrest in the relevant jurisdictions.

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If we are unable to effectively avoid or mitigate these risks, our ability to expand in international markets will be impaired, or our international business may not be able to achieve or sustain profitability, which could have a material and adverse effect on our business, financial condition, results of operations and prospects.

In particular, our operating results are affected by the broader global economic conditions of the industries in which our customers operate. Some of our business segments can be affected by the economic and market conditions in each of the geographic areas in which we operate. The global economic conditions vary by geographic regions and can involve substantial volatility. For example, the current uncertainty in international trade and the geopolitical landscape could result in stricter export controls on the semiconductor industry. There is no assurance as to how the trade tensions may evolve or whether there will be any changes to the scope and extent of goods that are or will be subject to such export controls, sanctions, tariffs, or new trade policies. We cannot predict the implications of the ongoing trade tensions and the resulting impact on our industry and the global economy. In addition, any economic downturn, decrease in economic growth rates and other uncertain economic outlook in the market that we operate in could also affect our business, financial condition and results of operations.

With international footprint, our business is subject to constantly changing international economic, regulatory, social, and political conditions, and local conditions in those countries and regions where we operate and we may be subject to various risks relating to legal compliance in different jurisdictions, exposure to potential disputes and litigations, geopolitical actions or risks and local market conditions, trade restrictions or prohibitions, foreign exchange rates, competitions, and taxes. As a result, international political relationships among jurisdictions where we operate and conduct business may affect our cost structure, the demand for our products and our collaboration with business partners. Any such relationship tensions and political concerns may adversely affect our business, results of operations and prospects.

We are subject to scrutiny under antitrust laws and/or could be involved in related investigations.

We could be subject to scrutiny by various government agencies under multiple legal and compliance frameworks, including antitrust. These agencies, including the Antitrust Division of the U.S. Department of Justice (DOJ), could in the future allege that our actions violate the antitrust laws that may result in civil and/or criminal liabilities. Our leading market positions and business agreements or arrangements with customers or other companies could give rise to regulatory action or antitrust litigation, and the broad remit of our business could lead otherwise uncontroversial business practices to be deemed anticompetitive. Any claims or investigations could be costly, time-consuming (the investigation and/or litigation could last for years or even longer), generate negative publicity, and substantial diversion of management attention, and could lead to reputational harm, significant monetary judgments against us, or require the alteration of business practice, any of which could materially and adversely affect our business, financial condition, results of operations and prospects. A variety of outcomes

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may therefore result from the initiation of a criminal DOJ investigation, including declination, non-prosecution agreement, deferred prosecution agreement, plea agreement or trial. The DOJ has published workload statistics¹ for the antitrust division for fiscal years 2015 to 2024, compiling data on antitrust investigations and litigation. In addition, based on DOJ press releases², the three largest criminal antitrust fines in the United States from 1995 to 2023, by company/case, were imposed on financial institutions for collusion in the foreign exchange spot market, with the largest single-defendant fine totaling of US\$925 million. See “Regulatory Overview — Regulation environment in the U.S. — U.S. Antitrust Laws” for an overview of U.S. antitrust laws and regulations.

Recently, we have learned that the Antitrust Division of the U.S. Department of Justice commenced a grand jury investigation relating to semiconductors and semiconductor components and requested us to produce certain materials, including business records and internal policies, and provide testimony. We are cooperating with such requests. Following the discussions with our legal advisor on this matter, as of the date of this Prospectus, we understand that neither we nor any of our Directors has been charged with any wrongdoing. As of the date of this Prospectus, we are of the view, as advised by our legal advisor on this matter and taking into account its analysis, considering the current stage of the investigation, we are not able to predict the timing and outcome, including whether any follow-up actions may be taken against us, whether charges will or will not be filed against us or others, or whether it would have a material adverse impact on our results of operations, liquidity and financial condition.

Non-compliance with regulatory standards and requirements of any third parties with which we conduct business could disrupt our business, harm our reputation and adversely affect our financial condition and results of operations.

Third parties with which we conduct business, such as suppliers and other business partners, may be subject to regulatory penalties or punishments because of their failure to comply with relevant regulatory requirements or may be infringing upon other parties’ legal rights, which may, directly or indirectly, disrupt our business. We conduct background review of third parties, which may involve legal formalities and certifications check before entering into material contractual relationships, and take measures to reduce the risks that we may be exposed to in case of any non-compliance by third parties. However, we cannot be certain whether such third party has violated any regulatory requirements or infringed or will not violate or infringe any other parties’ legal rights. For example, the data that we obtain from our collaborating business partners may be defective, and we may not be able to identify all instances of intellectual property infringement, and we may be held liable and pay damages for such infringement. As a result, our business, financial condition and results of operations could be materially and adversely affected.

1 <https://www.justice.gov/atr/media/1385421/dl?inline>

2 <https://www.justice.gov/atr/sherman-act-violations-yielding-corporate-fine-10-million-or-more>

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We cannot rule out the possibility of incurring liabilities or suffering losses due to any non-compliance by third parties. We cannot assure you that we will be able to identify irregularities or non-compliance in the business practices of third parties we conduct business with, or that such irregularities or non-compliance will be corrected in a prompt and proper manner. Any legal liabilities and regulatory actions affecting third parties involved in our business may affect our business activities and reputations, and may in turn affect our business, reputation, results of operations and financial condition.

We may not be able to effectively manage and develop our distribution network and, or efficiently sustain our business relationships with our distributors, which could adversely affect our brand, business, results of operations, and future financial performance.

Maintaining an effective distribution network enables the stable delivery of our products to customers, and our distributors play an important role in expanding our geographic footprint and driving sales of our products. As of December 31, 2022, 2023 and 2024 and September 30, 2025, we collaborated with four, three, three and four distributors, respectively. For the years ended December 31, 2022, 2023 and 2024 and for the nine months ended September 30, 2025, our total sales through distributors amounted to RMB978.3 million, RMB126.3 million, RMB540.6 million and RMB614.6 million, respectively, accounting for 26.6%, 5.5%, 14.9% and 15.1%, respectively, of our revenue for the corresponding periods. Failure to maintain our business relationships with existing distributors, to establish relationships with new distributors, and to manage and expand our distributors' distribution coverage could adversely affect our distribution network and hence our business, as well as our brands, business, results of operations, financial performance and prospects. Our ability to expand our distribution coverage is also affected by changes in the relevant regulatory requirements, competitive landscape, and customer preferences and spending habits. Failure to effectively respond to such changes may result in an adverse effect on our business and prospects.

Furthermore, we may not be able to successfully manage our distributors' behaviors, or successfully detect or prevent any non-compliance by our distributors with the provisions of our existing distribution agreements. Any non-compliance by our distributors could negatively affect our brands and relationships with other distributors. As we are likely to offer a broader and more diverse range of products in the future, which will require us to continue to enhance our risk management capabilities. If we fail to timely adapt our risk management policies and procedures to our changing business, our business, results of operations and financial condition could be materially and adversely affected.

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Disruptions in our supply chain could delay our development plans or commercialization efforts.

Our operations and those of our suppliers may be disrupted by a number of factors, including but not limited to geopolitical uncertainty, changes to the regulatory environment and associated laws, natural disasters (such as fires, floods and earthquakes), potential effect of climate change, strikes or other labor disputes, disruptions in logistics, among other things. A significant disruption in our supply chain that affects the manufacturing or sourcing of our products or components for any reason, including those mentioned above, could interrupt product supply and delay our development plans or commercialization efforts. Such disruptions, if not remedied timely, could lead to delay of our research and development plans, loss of orders and customers, litigation or regulatory action, financial penalties, and reputational damage that could materially and adversely affect our business, results of operations and financial condition.

Semiconductor supply chain constraints have been well publicized in the past. To the extent we do not have sufficient fabrication, packaging and testing commitments from our third-party suppliers or they are otherwise unable to provide such services, we may not be able to secure alternatives on our desired timelines or at reasonable prices. Large swings in demand could exceed our contracted supply and/or our suppliers' capacity to meet those demand changes resulting in a shortage of parts, materials or capacity needed to manufacture our products. In the event of a shortage or supply interruption from suppliers of our components, we may not be able to develop alternate sources quickly, cost-effectively or at all. An extended period of global supply chain and economic disruption could have a material negative impact on our business, results of operations, access to sources of liquidity and financial condition, though the full extent and duration is uncertain.

Furthermore, the fluctuation in prices of raw materials or shortage in supply may disrupt our supply chain, delay deliveries of our products to customers and affect our market price, which would further affect our business, financial condition and results of operations. Changes in the availability and prices of raw materials, particularly wafers, have a significant impact on our results of operations. The current or expected supply of our key raw materials may fluctuate depending on a number of factors beyond our control, including but not limited to the availability of resources, market demand, potential speculation, market disruptions, geopolitical tensions, natural disasters and other factors.

Any shortages or delay in the supply of our raw materials could result in occasional price adjustments or cause delays in our production and delivery to customers. We cannot guarantee we will not in the future experience price fluctuations and supply shortages of raw materials. There is no guarantee that we will be able to find alternate sources of supply in a timely manner and with reasonable price, or at all. If we are unable to keep up with demand for our products due to the failure to supply the raw materials we need, our customers may reduce, delay or cancel their orders and our business could be adversely affected.

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We may be subject to additional tax liabilities in connection with our transfer pricing arrangements, which could have adverse impacts on our financial condition.

During the Track Record Period, we carried out certain intra-group transactions, mainly intragroup sales of goods, IP royalties and various service arrangements. Our profit allocation and income tax positions in the jurisdictions in connection with such transfer pricing arrangements are subject to the interpretations by relevant tax authorities of applicable tax law as well as applicable rules and regulations with respect to transfer pricing in these jurisdictions. Significant judgment and the use of estimates are required in determining our profit allocation and income tax positions in terms of our transfer pricing arrangements. If a competent tax authority of a relevant jurisdiction determines that the transfer prices and the transaction terms that we have adopted as well as our historical income tax provisions and accruals are not appropriate, such authority may require the relevant subsidiaries to re-assess the transfer prices and reallocate the income or adjust the taxable income. If we are considered not to be in compliance with the applicable transfer pricing rules and regulations, the relevant tax authority may also have the power to order us to pay all outstanding tax and statutory interest or fines.

Any investments or future acquisitions may have a material adverse effect on our business, reputation, financial condition and results of operations.

We expect to continue to evaluate and consider a wide array of investment and acquisition opportunities that we believe can extend and solidify our leading market position as part of our overall business strategy. We are subject to valuation risks associated with potential acquisitions and investments. While potential investments and acquisitions could support our growth strategy and enhance our competitive position, there are inherent valuation risks associated with these potential transactions. The valuations of target companies can be highly volatile and subject to significant fluctuations based on various factors, including market sentiment, technological breakthroughs, and regulatory changes. If we overestimate the value of a target company or fail to identify key risks during the due diligence process, we may overpay for the investment or acquisition, which could negatively impact our financial performance and prospects. We may be engaged in discussions or negotiations with respect to one or more of these types of transactions. These transactions involve significant challenges and risks, including:

- difficulties in integrating the acquired personnel, operations, solutions into our operations;
- potential issues with technology, internal controls and financial reporting of the companies we acquire or invest in;
- disruptions of our ongoing business, distractions of the attention of our management and employees and increase of our expenses;
- loss of skilled professionals and established client relationships of the businesses we invest in or acquire;

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- for investments over which we do not obtain management and operational control, lack of influence over the controlling partner or shareholder, which may prevent us from achieving our strategic goals in such investments;
- new regulatory requirements and compliance risks that we become subject to as a result of investments or acquisitions in new industries or otherwise;
- actual or alleged misconduct or noncompliance by any company we acquire or invest in (or by its affiliates) that occurred prior to our acquisition or investment, which may lead to negative publicity, government inquiry or investigations against such company or against us;
- unforeseen or hidden liabilities or costs that may adversely affect us following our acquisition of such targets;
- the risk that any of our pending or other future proposed investments or acquisitions does not close;
- the costs of identifying and consummating investments and acquisitions;
- the use of substantial amounts of cash and potentially dilutive issuances of equity securities;
- the occurrence of significant amortization expenses for other intangible assets; and
- uncertainties in achieving the expected benefits of synergies and growth opportunities in connection with these acquisitions and investments.

Any such negative developments described above could disrupt our existing business and have a material adverse effect on our business, reputation, financial condition and results of operations.

We have limited insurance coverage, which could expose us to costs and business disruption.

We have limited liability insurance coverage for our products and business operations. A successful liability claims against us, regardless of whether due to damages suffered by our customers could materially affect our financial condition, results of operations and reputation. See “Business — Insurance.” Our insurances may not 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, which could have an adverse effect on our business, financial condition and results of operations.

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Environmental, social, and governance matters may impact our business and reputation.

To identify, manage, and mitigate ESG risks, we may incur costs and expenses. Given the nature of our business, we do not produce any material generation of emissions, wastes and pollutions. Nonetheless, we monitor environmental and climate-related risks that may impact on our business, strategy and financial performance and evaluate the magnitude of the resulting impact over the short, medium- and long-term horizons. We monitor a wide range of indicators such as power consumption, emission of greenhouse gas, water consumption and waste generation to manage our environmental and climate-related risks arising from our operations and are committed to providing adequate support to our employees to nurture a friendly and inspirational corporate culture. This commitment may entail incurring substantial additional costs and would potentially impact our profitability. See “Business — Environmental, Social and Governance.”

In addition, the increasing ESG-related regulatory requirements, including various ESG disclosure mandates in the jurisdictions where we operate, may lead to rising compliance costs and cost of sales may rise. Failure to adapt to new regulations or meet evolving industry expectations and standards could result in consumers choosing products from other companies, which may materially and adversely affect our results of operations and financial conditions.

Negative publicity or rumors about us, our products, our management, directors, employees, shareholders, customers, business partners or their affiliates or our industry in general may adversely affect our reputation and business.

Negative publicity or rumors involving our industry, our Company, our products, our management, our directors, employees, customers, distributors, business partners or their affiliates, or our relationship with any of these parties may materially and adversely harm our business and reputation, and cause fluctuations in the potential trading price of our H Shares. Although we made efforts to strengthen our responsiveness to negative publicity events, we cannot preclude media reports of a similar nature or similar allegations from other parties from being made in the future, nor can we assure you that we will be able to defuse such negative publicity to the satisfaction of our investors, customers and business partners or prevent related misconception and other damages caused by such reports. We may have to incur significant expenses as we may need to seek legal recourse or defend our Company in court in response to such allegations, which may cause us to incur significant expenses and divert our management’s time and attention in order to remedy the effects of these negative reports or allegations even if they are baseless, which may materially and adversely affect our results of operations.

Our business could be adversely affected by natural disasters, public health crises, political relationships and crises, economic downturns or other unexpected events.

Natural disasters, health epidemics, acts of war or terrorism or other factors beyond our control may adversely affect the economy, infrastructure and livelihood of the people in the regions where we conduct our business. Our operations may be under the threat of natural disasters, such as floods, earthquakes, sandstorms, snowstorms, fire or drought, the outbreak of a widespread health epidemic, such as swine flu, avian influenza, severe acute respiratory

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syndrome, or other factors beyond our control, such as power, water or fuel shortages, failures, malfunction and breakdown of information management systems, unexpected maintenance or technical problems, or are susceptible to potential wars or terrorist attacks. Acts of war or terrorism may also injure our employees, cause loss of lives, disrupt our business network and destroy our markets. Any of the foregoing events and other events beyond our control could have an adverse effect on the overall business sentiment and environment, cause uncertainties in the regions where we conduct business, cause our business to suffer in ways that we cannot predict and materially and adversely impact our business, financial condition and results of operations.

We have granted, and may continue to grant, restricted share or other types of awards under our share incentive plans, which may result in increased share-based payment compensation and adversely impact our results of operations, as well as shareholding dilution to our Shareholders.

We adopted employee incentive plans to enhance our ability to attract and retain exceptionally qualified individuals and to encourage them to acquire a proprietary interest in the growth and performance of us. We incurred share-based payment compensation of RMB151.3 million, RMB122.7 million, RMB58.8 million, RMB35.9 million and RMB532.4 million in 2022, 2023, 2024, and the nine months ended September 30, 2024 and 2025, respectively. For more details, see “Appendix V — Statutory and General Information — Employee Incentive Plans.” We believe share-based awards as part of an overall compensation package are important to attracting and retaining key personnel and employees, and we plan to continue to grant share-based payment compensation to employees in the future. As a result, our share-based payment expenses may increase, which may have an adverse effect on our results of operations and financial condition. Issuance of additional shares with respect to such share-based payments may also dilute the shareholding of our Shareholders and could result in a decline in the value of our H Shares. As of the Latest Practicable Date, if our granted but unvested restricted shares under the Employee Incentive Plans were vested in full, new shares issued as a result of such vesting will dilute our total share capital by 2.14%.

Our risk management and internal control systems may not be adequate or effective.

We have designed and implemented risk management and internal control systems in relation to our business operations, financial reporting and general compliance which we believe are appropriate for our business operations. Please see “Business — Risk Management and Internal Control” for more details. While we seek to improve our risk management and internal control systems on a continuous basis, we cannot assure you that these systems are sufficiently effective in ensuring, among other things, accurate report of our financial results and prevention of fraud. Since our risk management and internal control systems depend on the implementation by our employees, we cannot assure you that our employees or other related third parties are sufficiently or fully trained to implement these systems, or that their implementation will be free from human error or mistakes. If we fail to timely update, implement, and modify, or fail to deploy sufficient human resources to maintain our risk management policies and procedures, our business, financial condition, results of operations and prospects could be materially and adversely affected.

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We are subject to evolving and changing regulations of privacy and data protection, which may impact our legal, financial and operational behavior.

We collect and store business and transaction data generated during or related to our operations, including records of interactions and transactions with customers, suppliers, and business partners. The secure storage and maintenance of such data are critically important. We process this data in compliance with applicable legal requirements to ensure its security. We have adopted various measures to ensure legal compliance. See “Business — Data Privacy and Information Technology Systems” for more information. However, the laws and regulations regarding privacy and data protection are generally complex and still evolving and changing. As such, we cannot assure you that our privacy and data protection measures are, and will be, always considered sufficient under applicable laws and regulations. If we are unable to comply with the then-applicable laws and regulations, or to address any privacy and data protection concerns, such actual or alleged failure could damage our reputation, deter current and potential customers from using our solutions and could subject us to adverse legal, financial and operational consequences.

The legal and regulatory developments with respect to data protection could lead to uncertainties, which may affect how we design our IT systems, how we operate our business, how we and our business partners process data, which in turn could affect demand for our products. We may incur substantial costs to comply with such laws and regulations, to meet the demands of our customers relating to their own compliance with applicable laws and regulations and to establish and maintain internal compliance policies.

Legal defects regarding some of our leased properties may affect our interests in such properties.

As of the Latest Practicable Date, for certain leased properties, the lessors with whom we enter into lease agreements did not provide valid property ownership certificates. Therefore, we cannot ensure that they have the rights to lease or sublease such properties to us. As advised by our PRC Legal Adviser, we may not be able to continue to lease such properties if the lease was challenged by a third party.

Furthermore, according to applicable PRC laws and regulations, the lessor and the lessee to a lease agreement are required to file the lease agreement with relevant government authorities within 30 days after the execution of the lease agreement. As of the Latest Practicable Date, we had not filed our lease agreements for certain properties we leased with the local housing administration authorities as required under PRC laws and regulations. As advised by our PRC Legal Adviser, if we and the lessors fail to handle filing for such lease registration as required by the relevant competent authorities, we may be subject to a fine of RMB1,000 to RMB10,000 for each of the unregistered lease agreements.

If we are challenged by third parties or government authorities upon any of the circumstances stated above, we may be subject to fines and may be forced to relocate, as the case may be, and, as a result, our business, results of operations, financial performance and prospects may be adversely affected.

RISK FACTORS

RISKS RELATED TO OUR INTELLECTUAL PROPERTY

We may not be able to adequately protect or enforce our patents, trade secrets and other intellectual property rights throughout the world, and our efforts to do so may be costly.

We seek to protect the technologies that we consider commercially important by filing patent applications in the PRC and other jurisdictions, relying on patent or trade secrets or employing a combination of these methods. For further information on our patent portfolio, see “Business — Intellectual Property.” The patent prosecution process is expensive, time-consuming and complex, and we may not be able to file, prosecute, maintain, defend, enforce or license all necessary or desirable patents and patent applications at a reasonable cost or in a timely manner in all desirable jurisdictions. In addition, the laws of some countries do not protect our intellectual property rights as fully as do the laws of other countries, and our ability to protect our intellectual property rights will differ per jurisdiction. As a result, we may not be able to prevent competitors or other third parties from developing and commercializing competitive products and technologies in all such fields and jurisdictions.

Even if our intellectual property applications are approved, the form of approval may not fully shield the company from competitive pressures, and both the duration of patent protection and the scope of coverage are limited. For instance, in China, the validity periods for invention patents and utility model patents are 20 years and 10 years from the filing date, respectively. Should we be unable to extend a patent’s term, it may face competition for any approved products or solutions—even after successfully obtaining patent protection for said products or solutions prior to patent expiration. In addition, any litigation initiated by us concerning the infringement by third parties of our intellectual property rights is likely to be expensive and time consuming and could lead to the invalidation of, or render unenforceable, our intellectual property rights, or could otherwise have negative consequences for us. We may be a party to claims and litigation as a result of alleged infringement by third parties of our intellectual property rights. Even when we sue other parties for such infringement, that suit may have adverse consequences for our business. Any such suit may be time consuming and expensive to resolve and may divert our management’s time and attention from our business. Furthermore, it could result in a court or governmental agency invalidating, narrowing the scope of, or rendering unenforceable our patents or other intellectual property rights upon which the suit is based, which may seriously harm our business. Additionally, monitoring unauthorized use and disclosures of our proprietary technology, intellectual property and confidential information can be difficult and expensive. We cannot be sure that the steps we have taken will prevent misappropriation, infringement and violation of our intellectual property or proprietary rights. If we are unable to adequately protect, establish, maintain or enforce our intellectual property or other proprietary rights, our business, financial condition and results of operations may be adversely affected.

RISK FACTORS

We may become subject to litigation brought by third parties claiming infringement by us of their intellectual property rights.

The industry in which our business operates is characterized by a large number of patents, trademark and other intelligent properties, some of which may be of questionable scope, validity or enforceability. As a result, there is uncertainty in the industry regarding patent protection and infringement, and we cannot be certain that the conduct of our business does not and will not infringe, misappropriate or otherwise violate intellectual property or proprietary rights of third parties. In recent years, there has been significant litigation globally involving patents and other intellectual property rights. We could become subject to claims and litigation alleging infringement by us of third-party patents, copyrights or trade secrets. These claims and any resulting lawsuits, if resolved adversely to us, could subject us to significant liability for damages, impose temporary or permanent injunctions against our solutions or business operations, or invalidate or render unenforceable our intellectual property rights. An adverse judgment could also result in loss of reputation or may force us to take costly remediation actions, such as redesigning our solutions.

In addition, because patent applications can take many years until the patents issue, there may be applications now pending of which we are unaware, which may later result in issued patents that our solutions may infringe. If any of our solutions infringes a valid and enforceable patent, or if we wish to avoid potential intellectual property litigation on any alleged infringement of our products, we could be prevented from selling, or elect not to sell, our products unless we obtain a license, which may be unavailable or be available only at commercially unreasonable, unfavorable or otherwise unacceptable terms. Alternatively, we could be forced to pay substantial royalties or to redesign one or more of our products to avoid any infringement or allegations thereof. Additionally, we may face liability to our customers, business partners or third parties for indemnification or other remedies in the event that they are sued for infringement in connection with their use of our products.

We also may not be successful in any attempt to redesign our products to avoid any alleged infringement. A successful claim of infringement against us, or our failure or inability to develop and implement non-infringing technology, or license the infringed technology, on acceptable terms and on a timely basis, could materially adversely affect our business and results of operations. Furthermore, such lawsuits, regardless of their success, could likely be time consuming and expensive to resolve and may divert management's time and attention from our business, which could seriously harm our business.

Our patent applications may not be issued as patents, which may have a material adverse effect on our ability to prevent others from commercially exploiting solutions similar to ours.

We cannot be certain that we are the first inventor of the subject matter for which we have filed a particular patent application, or if we are the first party to file such a patent application. If another party has filed a patent application covering the same subject matter as we have developed, and such application has priority against our patent application, we may not be

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entitled to the protection sought by our patent application, including preventing third parties from commercializing the same or similar technologies. Further, the scope of protection of patent claims may be limited or narrowed if the examining authority determines there is cause to do so, such as if claims included in the patent application cover subject matter that is ineligible for patent protection or is obvious, or are deemed to lack sufficient detail to enable practicing the invention or in the event of the existence of prior art. As a result, we cannot be certain that the patent applications that we file will result in issued patents, or that our issued patents will be broad enough to protect our technology or otherwise afford protection against competitors with similar technology. In addition, the issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability. Our competitors may challenge or seek to invalidate our issued patents, or design around our issued patents, which may adversely affect our business, prospects, financial condition or operating results. Also, the costs associated with enforcing patents, confidentiality and invention agreements, or other intellectual property rights may make aggressive enforcement impracticable.

Changes in patent law could diminish the value of patents in general, thereby impairing our ability to protect our solutions.

The scope of patent protection in various jurisdictions is uncertain. Changes in either the patent laws or their interpretation in China or other countries may diminish our ability to protect our inventions, obtain, maintain, defend, and enforce our intellectual property rights and, more generally, could affect the value of our intellectual property or narrow the scope of our patent rights. We cannot predict whether the patent applications we are currently pursuing and may pursue in the future will issue as patents in any particular jurisdiction or whether the claims of any future granted patents will provide sufficient protection from competitors. The coverage claimed in a patent application can be significantly reduced before the patent is issued, and its scope can be reinterpreted after issuance.

Even if patent applications that we own currently or in the future issue as patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors or other third parties from competing with us, or otherwise provide us with any competitive advantage. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain.

Confidentiality agreements and non-compete covenants with employees and other third parties may not adequately prevent the disclosure of trade secrets and other proprietary information.

We have devoted substantial resources to the development of our technology and know-how. Although we enter into employment agreements with confidentiality, non-compete covenants and intellectual property ownership clauses with our employees, we cannot assure you that these agreements will not be breached, that we will have adequate remedies for any breach in time or at all, or that our proprietary technology, know-how or other intellectual property will not otherwise become known to third parties. Similarly, if we recruit employees who breached confidentiality, non-compete covenants with their prior employers, we may

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become subject to claims that such employees have improperly used or disclosed trade secrets or other proprietary information in violation of their confidentiality, non-compete covenants in a way that benefits us. In addition, others may independently discover trade secrets and proprietary information, limiting our ability to assert any proprietary rights against such parties. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to obtain or maintain trade secret protection could adversely affect our competitive position.

Risk of unpatented proprietary technology and trade secret disclosure or independent development by third parties.

In addition to our patented technology, we also rely on unpatented proprietary technology, trade secrets, processes and know-how. Even though we employ various methods, including entering into confidentiality agreements with employees, consultants, marketing partners and contract manufacturers, to safeguard them, there can be no assurance, however, that we will be able to maintain the confidentiality of any such unpatented proprietary technology, trade secrets, processes and know-how, or that others will not independently develop substantially equivalent technology, trade secrets, processes and know-how. The failure or inability to protect these unpatented proprietary technology, trade secrets, processes and know-how could have a material adverse effect on our results of operations. Moreover, there can be no assurance that our products utilizing such unpatented proprietary technology, trade secrets, processes and know-how will not infringe on the rights of others. If disputes arise in such circumstances, we may be forced to expend substantial resources if we have to defend against any such infringement claims.

RISKS RELATED TO OUR FINANCIAL PROSPECTS

Change in tax treatments may adversely affect our results of operations and financial performance.

During the Track Record Period, some of our subsidiaries were entitled to preferential income tax rates pursuant to the relevant tax regulations. According to the Administrative Measures for Determination of High and New Tech Enterprises, which was promulgated by the Ministry of Science and Technology, the Ministry of Finance and the State Administration of Taxation, an enterprise recognized as a high and new technology enterprise is subject to a preferential enterprise income tax rate of 15% pursuant to the relevant requirements of the EIT Law. Our Company and certain subsidiaries of us, such as Montage Technology (Kunshan) Co., Ltd., were qualified for a preferential income tax rate of 15% in 2022, 2023 and 2024.

Pursuant to the Announcement on Enterprise Income Tax Policy for Promoting High-Quality Development of the Integrated Circuit Industry and Software Industry (《關於促進集成電路產業和軟件產業高質量發展企業所得稅政策的公告》), jointly promulgated by the Ministry of Finance, the General Administration of Taxation, the National Development and Reform Commission (“NDRC”), and the Ministry of Industry and Information Technology (“MIIT”), state-encouraged IC design enterprises are exempted from enterprise income tax for

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the first and second years starting from their first profitable year. From the third to the fifth year, enterprise income tax is levied at half of the 25% statutory tax rate; state-encouraged key IC design enterprises are exempted from enterprise income tax for the first to fifth years starting from their first profitable year, and the enterprise income tax rate is reduced to 10% for subsequent years. We were qualified as a state-encouraged key IC design enterprise and therefore was subject to a preferential tax rate of 10% in 2022 and 2024. Our subsidiary, Montage Technology (Kunshan) Co., Ltd., was qualified as a state-encouraged IC design enterprise in 2022 and 2023, and was qualified as a state-encouraged key IC design enterprise in 2024. The subsidiary's first profitable year was 2022, therefore, it was exempted from enterprise income tax in 2022, 2023 and 2024. Certain of our subsidiaries located in specific areas of mainland China were eligible for a preferential corporate income tax rate of 15% by meeting the requirements of the relevant policies.

Pursuant to the relevant regulations, in 2022, for small and low-profit enterprise with an annual taxable income below RMB1,000,000 (RMB1,000,000 included), the taxable income is reduced by 12.5%, and the corporate income tax is paid at the tax rate of 20% , the small and low-profit enterprise with an annual taxable income between RMB1,000,000 and RMB3,000,000 (RMB3,000,000 included) is entitled to a preferential tax treatment with only 25% income taxable at the preferential EIT rate of 20%. From January 1, 2023 to December 31, 2027, for small and low-profit enterprise, the taxable income is reduced by 25% and the corporate income tax can be paid at a tax rate of 20%.

Certain subsidiaries which meet the criteria of “small and low-profit enterprise” are eligible for preferential tax rate of 20%. Please refer to Note 10 of the Accountants' Report in Appendix I to this Prospectus.

In 2024, the effective income tax rate of the Company was 5.1%, calculated by the income tax expenses divided by profit before tax in the same year. Continued eligibility for preferential tax treatment and government grants is subject to recognition and evaluation by the relevant government authorities in China. We cannot assure you that we will continue to receive such preferential tax treatment and government grants at historical levels, or at all. Such changes or uncertainties in tax treatment or government grants may adversely affect our results of operations and financial performance.

Expiration of, or changes to, certain government grants which we are entitled to could adversely affect our financial condition and results of operations.

We recorded government grants of RMB45.6 million, RMB83.1 million, RMB89.8 million, RMB74.9 million and RMB67.6 million in 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively. We cannot assure you that we will continue to receive such government grants at historical levels, or at all. Such changes or uncertainties in government grants may adversely affect our results of operations and financial performance.

RISK FACTORS

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

In order to operate our business effectively and meet the demands and expectations of our customers and the end users, we must maintain a certain level of inventory to meet the needs of production and ensure timely delivery of our solutions and products. During the Track Record Period, our inventories primarily consist of raw materials, finished goods and materials consigned for processing. As of December 31, 2022, 2023 and 2024 and September 30, 2025, we had inventories of RMB738.4 million, RMB482.4 million, RMB352.2 million and RMB795.7 million, respectively. In 2022, 2023 and 2024 and for the nine months ended September 30, 2025, our inventory turnover days were 103 days, 237 days, 100 days and 99 days, respectively. For details, see “Financial Information — Discussion of Selected Items from the Consolidated Balance Sheets — Assets — Inventories.”

We are committed to adopting a flexible approach to inventory management, adjusting our inventory levels in response to market demand fluctuations. When market demand increases, we correspondingly raise our inventory levels to ensure supply stability. However, such an approach is inherently uncertain, and the demand for our products could change significantly between the order date and the projected delivery date. We cannot assure you that we are able to always maintain optimal inventory levels in the future. If we fail to accurately assess the demand, we may experience inventory obsolescence and inventory shortage risk. Inventory levels in excess of demand, or substantial decrease in the expected market price of our products, may result in inventory write-downs or write-offs and we may sell the excess inventory at discounted prices, which would have an adverse effect on our profitability.

We are exposed to credit risk of our customers and failure to collect our trade and bills receivables in a timely manner may affect our financial condition and results of operations.

As of December 31, 2022, 2023 and 2024 and September 30, 2025, our trade receivables amounted to RMB322.4 million, RMB294.3 million, RMB387.8 million and RMB568.2 million, respectively. Our trade receivable turnover days were 25 days, 49 days, 34 days and 32 days for the years ended December 31, 2022, 2023 and 2024 and for the nine months ended September 30, 2025, respectively.

Should the creditworthiness of our customers deteriorate or should a significant number of our customers fail to settle their accounts receivables in full for any reason, we may incur impairment losses and our results of operations and financial position could be materially and adversely affected. In addition, there may be a risk of delay in payment by our customers beyond their respective credit period, which in turn may also result in an impairment loss provision. There is no assurance that we will be able to fully recover our accounts receivables from the customers or that they will settle our accounts receivables in a timely manner. In the event that settlements from customers are not made on a timely manner, or at all, our financial position and results of operations may be materially and adversely affected.

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Fluctuations in changes in fair value of financial assets measured at fair value through profit or loss may adversely affect our financial results.

We recorded financial assets at fair value through profit or loss of RMB2,124.4 million, RMB2,286.1 million, RMB2,358.7 million and RMB1,107.6 million as of December 31, 2022, 2023 and 2024 and September 30, 2025, respectively. Our financial assets at fair value through profit or loss mainly consist of structured deposits and equity investments. For details, please see “Financial Information — Discussion of Selected Items from the Consolidated Balance Sheets — Assets — Financial Assets at Fair Value through Profit or Loss.”

The fair value change of financial assets measured at fair value through profit or loss may significantly affect our financial position and results of operations. The determination of the fair value of such financial assets requires us to make significant estimates, which may be subject to material changes, and therefore inherently involves a certain degree of uncertainty. Factors beyond our control can significantly influence and cause adverse changes to the estimates we use and thereby affect the fair value of such financial assets and liabilities. These factors include, but are not limited to, general economic condition, changes in market interest rates and the stability of capital markets. Any of these factors, as well as others, could cause our estimates to vary from actual results, which could materially and adversely affect our results of operations and financial condition.

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

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. It is difficult to predict how market forces or government policies may impact the exchange rate between the RMB and the Hong Kong dollar, the U.S. dollar or other currencies in the future.

During the Track Record Period, we received the majority of payments in U.S. dollars, and we expect this to continue for the foreseeable future. As a result, any depreciation of the U.S. dollar against the RMB may result in exchange losses and negatively impact our operating results. 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. All of these factors could have a material and adverse impact on our business, results of operations and financial condition.

We experienced fluctuations in gross profit and gross profit margin during the Track Record Period and we may not be able to maintain growth and profitability.

Our gross profit fluctuated during the Track Record Period. In 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, our gross profit was RMB1,705.5 million, RMB1,346.5 million, RMB2,115.3 million, RMB1,494.1 million and RMB2,493.8

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million, respectively. Our overall gross profit margin was 46.4%, 58.9%, 58.1%, 58.1% and 61.5% in 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively. There can be no guarantee that we can maintain our existing customer base, or that our customers continue to place orders with us on the existing scale if at all. Hence, we may not be able to sustain the gross profit margin or growth rate we achieved in the past.

RISKS RELATED TO THE JURISDICTIONS IN WHICH WE OPERATE OUR BUSINESS

Changes in economic, political and social conditions, as well as government policies, laws and regulations, and industry practice guidelines could have a material and adverse effect on our business, financial condition and results of operations.

We operate our business in China and overseas, including multiple Asia markets. Our business, financial condition and results of operations may be influenced by the economic, regulatory, political and social conditions in the country where we operate. Governments worldwide have implemented, and may continue to introduce, among others, various policies and measures to encourage the economic growth and guide the allocation of resources. The semiconductor industry in general is affected by macro-economic factors, including international, national, regional and local economic conditions, trade relationships, employment levels, customer demand and discretionary spending. Any changes in these factors may have material and adverse effect on our business, financial condition and results of operations.

As a company listed on the Shanghai Stock Exchange STAR Market, we, our Directors, senior management, employees and shareholders are subject to securities regulations and exchange listing rules in the PRC.

As a company listed on the Shanghai Stock Exchange STAR Market, we, our Directors, senior management, employees and shareholders are subject to securities regulations issued by the CSRC and the listing rules of the Shanghai Stock Exchange STAR Market. New regulations and rules, and changes in the interpretation or enforcement of existing regulations and rules, may be adopted from time to time. In addition, the CSRC and the Shanghai Stock Exchange STAR Market may have periodic or ad hoc inspections, examinations and inquiries with respect to our compliance with relevant regulatory requirements. We expect to fully comply with such regulations and rules at all times and such compliance would require us to incur increased expenses and devote considerable time and resources to such compliance. Accordingly, our reputation, business, financial condition and results of operations may be adversely affected.

We may be subject to regulatory requirements relating to laws and regulations in connection with our capital raising activities issued by PRC government authorities.

On February 17, 2023, the CSRC issued the Overseas Listing Trial Measures (which came into effect on March 31, 2023) and five supporting guidelines (which came into effect on February 17, 2023) (the “Overseas Listing Regulations”). The Overseas Listing Regulations

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are applicable to overseas securities offer and list conducted by issuers who are (i) companies incorporated in the PRC (“PRC domestic companies”) and (ii) companies incorporated overseas with substantial operations in the PRC. The Overseas Listing Regulations lay out the arrangements for regulatory filings for both direct and indirect overseas offerings, and clarify the determination criteria for indirect overseas offerings in overseas markets. The Overseas Listing Regulations stipulate that such issuer shall fulfill the filing procedures within three working days after it makes an application for offering and listing in an overseas stock market. For details, see “Regulatory Overview — Regulations on Securities and Filing for Overseas Listings” in this document.

In addition, we may be subject to approval, filing or other requirements by other PRC government authorities under the PRC laws in the future, and we cannot assure you that we will be able to get clearance of such approvals or filings on a timely basis, or that we will be able to meet such requirements at all. Any failure on our part to fully comply with the new regulatory requirements may have an adverse effect on our capital raising activities or significantly limit or completely hinder our ability to continue to sell our securities to investors, cause significant disruption to our business operations, and severely damage our reputation, which could affect our financial condition and results of operations and cause our securities to decline in value or become worthless.

You should assess the legal protections you are entitled to under legal system in the jurisdictions where we operate.

We are subject to the different applicable laws and regulations of the countries and regions where we operate. Our business and operations in China are subject to primarily written statutes, and prior court decisions offer limited precedential value. Furthermore, we cannot assure you that we can predict the effect of future legal developments in countries and regions where we operate, including the promulgation of new laws and changes in existing laws. In addition, legal proceedings may incur significant costs, divert our resources, and negatively affect our management’s focus on strategic planning and execution, which may materially and adversely impact our operational efficiency and overall business performance.

Changes in international trade policies, geopolitics and trade protection measures, export control and economic or trade sanctions may affect our business, financial condition and results of operations.

Our business operations and financial performance can be influenced by various factors related to international trade policies, geopolitics, trade protection measures, export controls, and economic or trade sanctions. For example, recently, the United States announced broad tariffs on imports from all countries, under the International Economic Emergency Powers Act (“IEEPA”), comprising a 10% baseline tariff and varying reciprocal tariffs on certain trade partners. Other countries, including the PRC, announced retaliatory actions or plans for retaliatory actions. On April 9, 2025, the United States implemented a 90-day pause on the varying reciprocal tariffs (except for those on Chinese goods, which were temporarily increased to 125%), leaving the 10% baseline tariff in place. On May 12, 2025, China and the

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United States jointly announced a 90-day suspension of certain of their trade restrictions, such that the United States would reduce its reciprocal tariffs from 125% back down to 10% (resulting in a 30% baseline duty on most Chinese imports during this period), while China reduced its tariff rate to 10% on U.S. imports, which was extended for 90 days by mutual agreement in August 2025 and further extended for one year in November 2025. Additionally, the United States continues to assess the tariff rates it will impose on other jurisdictions, which might impact on our customers' sales and, in turn, directly or indirectly impact our business or financial performance. These policies have adversely affected the global economy and financial markets. As relevant policies are rapidly evolving, it may be difficult to evaluate their potential future impacts. Geopolitical and trade conflicts like this may also lead to volatility in financial markets, fluctuations in currency exchange rates and increased procurement costs. In extreme cases, such conflicts could result in economic downturns that materially and adversely impact our operations. If any new tariffs, legislation and/or regulations are implemented, or if existing trade agreements are renegotiated or, in particular, if any government takes retaliatory trade actions due to recent global trade tensions, such changes could have an adverse effect on our business, financial condition and results of operations. We typically are not responsible for the import tariff of the destination country, as such expenses are generally borne by our customers in accordance with our agreements with them. For each year/period during the Track Record Period, deliveries to the U.S. represented less than 1.5% of our total revenue.

Likewise, potential national security and foreign policy concerns may prompt governments to impose trade or other restrictions, which could make it more difficult to sell our products in, or restrict our access to, certain markets, or affect our supply chain. In this regard, various trade, export controls, and economic sanctions laws and regulations may affect our businesses. In August 2022, the United States enacted the Creating Helpful Incentives to Produce Semiconductors and Science Act of 2022 (the CHIPS Act). In recent years, the United States has expanded sanctions and export controls restrictions on China through the Export Administration Regulations (the "EAR"), administered by the Bureau of Industry and Security of the United States Department of Commerce ("BIS"). For instance, in October 2022, BIS issued an interim final rule (the "BIS October 2022 IFR") requiring license for exports, re-exports, or transfers of any item subject to the EAR when there is "knowledge" that the item is destined for end use in the development or production of ICs at a fab in China that fabricates ICs meeting certain criteria. The BIS October 2022 IFR was amended in October 2023 to strengthen export controls relating to advanced computing and semiconductor manufacturing equipment. On December 2, 2024, BIS issued an interim final rule (the "BIS December 2024 IFR") and a final rule (the "BIS December 2024 FR"), which expanded controls in the EAR on advanced computing and semiconductor manufacturing items. In addition to the United States, Japan, the Netherlands and various other governments are also imposing controls, licensing requirements and restrictions applicable to exports to China. These laws, regulations, requirements and restrictions are evolving from time to time. For example, BIS announced on May 13, 2025 the rescission of a regulation issued on January 15, 2025, the AI Diffusion Rule, which had further expanded advanced computing restrictions. BIS has indicated that it will replace the AI Diffusion Rule, but it has not yet issued, or announced a timeline, for new regulations. On January 15, 2025, BIS issued an Interim Final Rule implementing new due

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diligence measures for advanced computing ICs (“DD IFR”). The DD IFR targets ICs with advanced-node capabilities (e.g., 16/14 nanometer nodes or smaller, or non-planar transistor architecture) and their associated design and manufacturing services. These measures affect exports, reexports, and in-country transfers of ICs, as well as the licensing and vetting processes for IC designers, foundries, and OSAT providers. The United States may introduce additional controls, licensing and/or classification requirements and restrictions applicable to IC designers, and their products, customers and suppliers, or expand or otherwise change the scope of current regulations to subject certain products to additional licensing requirements, or impose restrictions on their ability to import, export and transfer certain products. Given such potential regulatory changes could be sudden and hard to foresee, it is difficult for us to predict developments in this area and we may have no or very limited ability to influence such regulatory developments. As these export controls laws and regulations continue to evolve, future export controls may affect our operations, customers or suppliers.

In addition to the restrictions introduced by the BIS rules, 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 (including business, research institutions, government and private organizations, individuals and other types of legal persons) that are subject to specific license requirements for the export, reexport, and/or transfer (in-country) of items (commodities, software, and technology) subject to the EAR. The United States in recent years has placed an increasing number of entities, including a number of entities in China, on the Entity List and other restricted or prohibited parties’ lists. Given the sudden and unpredictable nature of these determinations, it is difficult to predict developments in this area and we have no ability to influence such determinations.

Finally, the U.S. Department of Commerce, through BIS, has initiated multiple national security investigations under Section 232 of the Trade Expansion Act of 1962, which could result in additional trade measures against products of China and other countries. These include investigations on whether imports of semiconductors, processed critical minerals, and derivatives thereof threaten to impair U.S. national security. If these investigations result in an affirmative finding by BIS that imports of subject merchandise threaten U.S. national security, the President may impose additional duties, regional content rules, or other requirements or restrictions on imports.

As the Entity List and other sanctions, trade and export controls laws and regulations continue to expand and evolve, future sanctions and export controls may affect or target some of our customers or suppliers, raw materials or key components or technologies necessary for our operations, or some of our customers and suppliers may be listed on the Entity List in the future, in which event our business may be affected if we fail to promptly secure alternative customers or sources of supply on terms acceptable to us. These export controls could adversely affect us and/or our supply chain, business partners, or customers, and our business, financial condition, and results of operations may be affected by the continued international trade and political tensions.

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As a fabless IC design house, we use software and commodities subject to the EAR, including certain electronic design automation (“EDA”) software. As the U.S. government continued to impede China’s advanced semiconductor industry, in early June 2025, several leading EDA software suppliers in the U.S. stated that they received “is informed” letters from BIS, informing them of license requirements for the export or re-export to China of certain EDA software and associated technology. In early July 2025, these EDA software suppliers stated that the BIS recently notified them that the export control restrictions on EDA software and technology to customers in China set forth in previous “is informed” letters from BIS have been rescinded. We understand that these developments introduced uncertainties to global supply chains, limited access to key software, and increased production and compliance costs for companies operating in affected industries. If these trade restrictions are re-imposed or geopolitical tensions otherwise further escalate, we may face additional risks, including reduced access to key software, which could negatively impact our design capabilities.

The United States and other jurisdictions or organizations, have, through executive orders, legislation or other regulatory means, implemented measures that impose economic sanctions and export controls against such countries or against targeted industry sectors, companies, entities and/or organization and individuals within such countries. These sanctions and controls continue to evolve, as the United States has recently terminated comprehensive sanctions against Syria. Our business and reputation could be adversely affected if the authorities of U.S. or any other jurisdictions were to determine that any of our past or future activities might constitute a violation of the relevant sanctions or provide a basis for a sanction designation of our Group.

These factors are subject to frequent changes and uncertainties, often driven by political, economic, and social dynamics beyond our control. Such changes can have an impact on trade agreements, tariffs, customs duties, and other aspects of international trade, potentially resulting in increased operational costs and affecting our market access. Additionally, alterations in trade protection measures, such as the imposition of anti-dumping duties, countervailing duties, or safeguard measures, may lead to higher costs or restrictions on our exports. Moreover, export controls and economic or trade sanctions can impose limitations on our ability to export products or conduct business in specific markets. Non-compliance with these controls and sanctions can result in legal penalties, reputational harm, and the loss of export privileges.

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We are exposed to risks associated with U.S. Executive Order 14105 and its implementing regulations that prohibit and require notification by U.S. persons for certain investments.

On October 28, 2024, the U.S. Department of the Treasury (the “Treasury”) issued a final rule on outbound investment, or the Outbound Investment Rule, to implement the executive order of August 9, 2023, which became effective on January 2, 2025. The Outbound Investment Rule 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), collectively defined as “Covered Foreign Persons,” that are engaged in activities relating to three sectors: (i) semiconductors and microelectronics, (ii) quantum information technologies, and (iii) artificial intelligence systems. 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.” The Outbound Investment Rule could apply to certain U.S. person (including their controlled foreign entities, if applicable) outside the United States who may participate in the Global Offering through offshore transactions in accordance with Regulation S.

Our Directors are of the view that the Outbound Investment Rule has no material adverse impact to our business operations, financial performance and the Global Offering. Our Directors are of the view, as advised by our legal advisor and taking into account its view, that we are a “covered foreign person” and our business constitutes “covered activities” and investments by U.S. persons in us may constitute “notifiable transactions” under the Outbound Investment Rule. However, as of the Latest Practicable Date, the Company does not engage in any covered activities that would result in a “prohibited transaction” because our business involving the design of ICs does not meet the performance parameters of the advanced ICs covered by “prohibited transaction” as defined under the Outbound Investment Rule.

On December 23, 2025, the Treasury published additional frequently asked questions (“FAQs”) on the Outbound Investment Rule. One of these FAQs (X. 4) provides that absent additional facts, when a U.S. person acquires an equity interest in a “covered foreign person”, and at the time of such acquisition the equity interest is publicly traded, such security falls under the description of a “publicly traded security” in 31 C.F.R. §850.501(a)(1)(i), regardless of when an agreement to make its investments is entered into. In light of the FAQs’ guidance, we are of the view, as advised by our legal advisor and taking into account its view, a U.S. person’s acquisition of our H shares that are publicly listed and traded in this Global Offering may constitute an “excepted transaction” assuming the U.S. person would not also be afforded rights beyond “standard minority shareholder protections.” While neither the Outbound Investment Rule nor the FAQs define the time of acquisition, as advised by our legal advisor, it is reasonable to conclude that the acquisition of the H shares by investors occurs upon settlement with them since the investors will receive our H shares at settlement. As long as the settlement of the H shares purchased by U.S. persons occurs after 9:00 am on the Listing Date, the H shares they acquire would be publicly listed and traded securities. However, if settlement occurs before 9:00am on the Listing date when the H shares are not yet publicly listed and traded (for example, this is the case for settlement for Hong Kong Offer Shares), it remains uncertain whether the publicly traded securities exception under the Outbound Investment Rule can be applicable.

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Although U.S. persons' passive investments in publicly traded securities may qualify as "excepted transactions" under the Outbound Investment Rule, there remains ambiguity regarding the scope and conditions of this exception. To the extent that this exception is not available, U.S. persons that purchase our H Shares in this Global Offering may be required to file notifications with the Treasury. Investors that are U.S. persons should consult their own legal counsel regarding the applicable compliance requirements, including their notification obligation and any applicable exception, under the Outbound Investment Rule in connection with this Global Offering; and there is no reporting obligation imposed on us under the Outbound Investment Rule in connection with this Global Offering.

In addition, even though U.S. persons' investment of certain publicly traded securities (such as purchasing our H Share in the open market) falls under an exception in the Outbound Investment Rule, it could still limit our ability to raise capital or contingent equity capital from U.S. investors given that the relevant laws, regulations and policies continue to evolve. For example, the President of the United States issued the America First Investment Policy Memorandum (the "America First Memo") on February 21, 2025, which proposes to further expand the set of technologies and investment types of concern. On December 18, 2025, the President of the United States signed into law the Fiscal Year 2026 National Defense Authorization Act, which includes the Comprehensive Outbound Investment National Security Act of 2025 ("COINS Act"). The COINS Act largely codifies the core of the current Outbound Investment Rule while making certain modifications. While the COINS Act was legally enacted and effective on December 18, 2025, it is not self-executing and it does not replace or amend the Outbound Investment Rule immediately. The COINS Act is a U.S. federal statute that provides the statutory basis of the Outbound Investment Rule. The COINS Act requires the Treasury to, within 450 days from passage, promulgate new or amended regulations (which may then amend or replace the Outbound Investment Rule) to implement the law. The application and implication of the Outbound Investment Rule, the America First Memo, the COINS Act and any related policies, laws and regulations are complex, which may be changed and updated from time to time. Future changes in the Outbound Investment Rule, the America First Memo, the COINS Act and any related policies, laws and regulations or their interpretations, or any similar or more expansive restrictions imposed by the U.S. or other jurisdictions, may result in additional costs on our business and/or limit our ability to raise capital or contingent equity capital from U.S. investors and other sources that may otherwise be beneficial to us, which could adversely affect our performance, financial condition and prospects, in which case the offering of our H Shares may also be materially and adversely affected.

Any decrease or discontinuation of tax rebate for our exported products may have a negative effect on our profitability.

According to the Notice of the Ministry of Finance and the SAT on the Value-Added Tax and Consumption Tax Policy for Labor Services of Exported Goods (《財政部、國家稅務總局關於出口貨物勞務增值稅和消費稅政策的通知》) issued by the MOF and the SAT on 25 May 2012, revised on 9 December 2014 and 20 January 2020, unless otherwise provided by law, export goods and services are subject to the exemption and refund of VAT policies. Subject to

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the relevant PRC laws, we are entitled to a rebate of VAT from the PRC tax authority in connection with our export sales for our products. The tax rebate comprised a refund of VAT incurred on the raw materials we used for production of our products in the PRC, which are subsequently exported to overseas countries. We cannot assure you that the PRC governmental policies on tax rebate will not change or that the current policies we enjoy will not be cancelled. If there is any reduction, suspension, discontinuation or cancellation of tax rebate which may adversely affect the recoverability of our VAT recoverable, our business, financial condition and profitability would be adversely affected.

Our Company is a PRC enterprise and is subject to PRC tax on our global income, and any gains on the sales of our H Shares by investors and dividends paid to investors on our H Shares may be subject to PRC tax.

Under the current PRC tax laws and regulations, non-PRC individuals and non-PRC enterprises are subject to different tax obligations with respect to dividends paid to them by us and any gains realized upon the sale or other disposition of our H Shares.

Non-PRC individuals are generally subject to PRC individual income tax under the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》) with respect to PRC source income or gains at a rate of 20%. We are required to withhold related tax from dividend payments paid to non-PRC resident individuals, unless specifically exempted by the tax authority of the State Council or reduced or eliminated by an applicable tax treaty. However, pursuant to the Circular on Certain Policy Questions Concerning Individual Income Tax issued by the MOF and SAT (《財政部、國家稅務總局關於個人所得稅若干政策問題的通知》) on May 13, 1994, dividends and bonuses income gained by foreign individuals from foreign-invested enterprises is exempted from individual income tax for the time being.

According to the Circular Declaring that Individual Income Tax Continues to Be Exempted over Individual Income from Transfer of Shares issued by the MOF and the STA (《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》) effective as of March 30, 1998, income from individuals' transfer of stocks of listed companies continued to be temporarily exempted from individual income tax. On February 3, 2013, the State Council approved and promulgated the Notice of Suggestions to Deepen the Reform of System of Income Distribution (《國務院批轉發展改革委等部門關於深化收入分配制度改革若干意見的通知》). On February 8, 2013, the General Office of the State Council promulgated the Circular Concerning Allocation of Key Works to Deepen the Reform of System of Income Distribution (《國務院辦公廳關於深化收入分配制度改革重點工作分工的通知》). According to these two documents, the PRC government is planning to cease foreign individuals' tax exemption for their dividends and bonuses income obtained from foreign-invested enterprises, and the MOF and the SAT should be responsible for making and implementing details of such plan. However, relevant implementation rules or regulations have not been promulgated by the MOF and the SAT. Considering the situations, non-resident individual holders of our H Shares should be aware that they may be obligated to pay PRC income tax on dividend and bonuses income realized from the H Shares.

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As of the Latest Practicable Date, no aforesaid provisions had expressly provided whether individual income tax shall be levied from non-PRC individuals on the transfer of shares in PRC enterprises listed on overseas stock exchanges, and there is no assurance that the PRC tax authorities will not change these practices, which could result in levying income tax on non-PRC individuals on gains from the sale of our H shares.

For non-PRC enterprises that do not have establishments or premises in China, and for those that have establishments or premises in China but whose income is not related to such establishments or premises, under the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) and its implementation regulations, dividends paid by us and gains realized by such foreign enterprises upon the sale or other disposition of our H Shares are subject to PRC enterprise income tax at a 10% rate. In accordance with the Circular on Issues Relating to Withholding of Enterprise Income Tax by PRC Resident Enterprises on Dividends Paid to Overseas Non-PRC Resident Enterprise Shareholders of H Shares (《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》) (Guo Shui Han [2008] No. 897) issued by SAT on November 6, 2008, the withholding tax rate for dividends payable to non-PRC enterprise holders of H Shares will be 10% and we intend to withhold tax at a rate of 10% from dividends paid to non-PRC enterprise holders of our H Shares (including HKSCC Nominees). Non-PRC enterprises that are entitled to be taxed at a reduced rate under an applicable income tax treaty or arrangement 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' approval.

Despite the arrangements mentioned above, the interpretation and application of applicable PRC tax laws and regulations by the competent tax authorities will be in accordance with the then effective laws and regulations and may change, and new taxes may be imposed, which in either case may adversely affect the value of your investment in our H Shares.

It may be difficult to effect service of process upon us or our Directors or executive officers who reside in the PRC or to enforce against them in the PRC any judgments obtained from non-Chinese courts.

We are a company incorporated under the laws of the PRC and a majority of our assets and subsidiaries are located in the PRC. The majority of our Directors and senior management reside within the PRC. The assets of these Directors and senior management also may be located within the PRC. As a result, it may not be possible to affect service of process upon most of our Directors and senior management outside the PRC. The PRC does not have treaties providing for the reciprocal recognition and enforcement of judgments of courts in the United States, the United Kingdom or Japan. However, judgments rendered by Hong Kong courts may be recognized and enforced in the PRC if the requirements set forth by the Arrangements for Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Cases between Courts of the Mainland and 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》) are met.

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Therefore, recognition and enforcement in the PRC of judgments of a court in any of these jurisdictions other than Hong Kong in relation to any matter not subject to binding arbitration provisions may be difficult or impossible.

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

RISKS RELATED TO THE GLOBAL OFFERING

We will be concurrently subject to PRC and Hong Kong listing and regulatory requirements.

As we are listed on the Shanghai Stock Exchange STAR Market and will be listed on the Main Board of the Hong Kong Stock Exchange, we will be required to comply with the listing rules (where applicable) and other regulatory regimes of both jurisdictions, unless otherwise agreed by the relevant regulators. Accordingly, we may incur additional costs and consume additional resources in complying with the requirements of both jurisdictions.

Our A Shares are listed on the Shanghai Stock Exchange STAR Market, and the characteristics of the A Share and H Share markets may differ.

Our A Shares are listed on the Shanghai Stock Exchange STAR Market. Following the Global Offering, our A Shares will continue to be traded on the Shanghai Stock Exchange STAR Market and our H Shares will be traded on the Hong Kong Stock Exchange. Under current PRC laws and regulations, 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 market 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. Furthermore, 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.

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

As our A Shares are listed on the Shanghai Stock Exchange STAR Market, we have been subject to periodic reporting and other information disclosure requirements in China. As a result, from time to time, we publicly release our financial and operational information on the Shanghai Stock Exchange STAR Market or other media outlets designated by the CSRC. However, the information announced by us in connection with our A Shares is based on the regulatory requirements of the securities authorities, industry standards and market practices in mainland China, 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 Shanghai Stock Exchange STAR Market 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.

There has been no prior public market for our H Shares and an active trading market for our H Shares may not develop or be sustained.

There was no public market for our H Shares prior to the Global Offering. There can be no guarantee that a public market for our H Shares with adequate liquidity and trading volume will develop and be sustained following the completion of the Global Offering. In addition, the initial Offer Price of our H Shares is expected to be fixed by agreement between the Overall Coordinators (for itself and on behalf of the Underwriters) and us, which may not be indicative of the market price of our H Shares following the completion of the Global Offering. If an active public market for our H Shares does not develop following the completion of the Global Offering, the market price and liquidity of our H Shares may be materially and adversely affected.

The trading volume and market price of our H Shares following the Global Offering may be volatile, which could result in substantial losses to you.

The trading volume and market price of our H Shares may be volatile and could fluctuate widely in response to factors beyond our control, including general market conditions of the securities markets in Hong Kong, mainland China, the United States and elsewhere in the world. In particular, the performance and fluctuation of the trading volume and market price of other companies with business operations located mainly in mainland China 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 mainland China-based companies have listed their securities, and some are in the process of preparing for listing their securities, in Hong Kong. Some of these companies have experienced significant volatility, including significant price declines and

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trading volume fluctuation 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 towards mainland China-based companies listed in Hong Kong and consequently may impact the trading performance of our H Shares. These factors may significantly affect the market price and volatility of our H Shares, regardless of our actual operating performance.

Our historical dividends may not be indicative of our future dividend policy, and there can be no assurance whether and when we will pay dividends in the future.

We have declared dividends in the past. We protect our Shareholders' interest by ensuring a consistent dividend policy. However, there is no assurance 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 China and the Articles of Association, 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. 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 China. See "Financial Information — Dividend." No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. Our historical dividends should not be taken as indicative of our dividend policy in the future.

Under the existing foreign exchange regulations of mainland China, payments of current account items, including profit distributions, interest payments and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior SAFE approval by complying with certain statutory procedural requirements. If the foreign exchange control system prevents us from obtaining sufficient foreign currencies to satisfy our foreign currency demands, we may not be able to pay dividends in foreign currencies to our Shareholders. Further, we cannot assure you that new regulations will not be promulgated in the future that would have the effect of further restricting the remittance of RMB into or out of mainland China.

A future or perceived significant increase in the supply of our H Shares in public markets could cause the market price of our H Shares to decrease significantly, and dilute shareholdings of holders of H Shares.

The market price of our H Shares could decline as a result of future sales of a substantial number of our H Shares or other securities relating to our H Shares in the public market, or the issuance of new shares or other securities, or the perception that such sales or issuances may occur. Future sales, or anticipated 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. In addition, our Shareholders may experience dilution in their holdings if we issue more securities in the future. New shares or shares-linked securities issued by us may also confer rights and privileges that take priority over those conferred by the H Shares.

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

The Offer Price of our Offer Shares is higher than the net tangible asset value per Share immediately prior to the Global Offering. Therefore, purchasers of our Offer Shares in the Global Offering will experience an immediate dilution. Existing Shareholders will receive an increase in the pro forma adjusted consolidated net tangible assets value per share of their shares. See Unaudited Pro Forma Financial Information in Appendix II to this Prospectus.

Certain facts, forecasts and statistics derived from official government sources contained in this Prospectus have not been independently verified and the market opportunity estimates may not be accurate.

We have derived certain facts and other statistics in this Prospectus, particularly those relating to the general economy and the industry, from information provided by official government sources and other third-party sources. We have not independently verified information and statistics from official government sources, and there can be no assurance as to the accuracy and reliability of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other data problems, the statistics herein may be inaccurate. You should consider carefully how much weight or importance you should attach to or place on such facts or statistics.

Market opportunity estimates included in this Prospectus, including our ability to capture a meaningful share of the relevant markets, are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate. The variables that go into the calculation of our market opportunity are subject to change over time, and there can be no assurance that our market opportunity estimates will materialize as anticipated. Any expansion in our market depends on a number of factors, including the cost, performance, and perceived value associated with our business and those of our competitors. Even if the market in which we compete meets the size estimates and growth forecasted in this Prospectus, our business could fail to grow at similar rates, if at all. Our growth is subject to many factors, including our success in implementing our business strategy, which is inherently subject to certain risks and uncertainties.

Investors should read the entire Prospectus carefully and should not consider any particular statements in this Prospectus or in published media reports without carefully considering the risks and other information contained in this Prospectus.

The Global Offering is being made solely on the basis of the information and representations contained in this Prospectus, which are true and accurate to the best of our knowledge and belief. Any information not contained in this Prospectus should not be relied upon in making an investment decision with respect to the securities being offered. Prior to the publication of this Prospectus, there has been coverage in the media regarding us and the Global Offering, which may have contained, among other things, certain financial information, projections, valuations and other forward-looking information about us and the Global

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Offering. Investors should be aware that information and opinions published by third-party sources may have been based on outdated, incomplete, or inaccurate information. These sources may also have conflicts of interest, and their opinions may not be independent or objective. The media's coverage of our Company and the Global Offering may be influenced by a wide range of factors, including the bias of individual journalists, the preferences of media outlets, and the demand of advertisers.

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

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

WAIVERS AND EXEMPTIONS

In preparation for the Listing, we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules and exemptions from strict compliance with the Companies (Winding up and Miscellaneous Provisions) Ordinance.

Subject Matter	Rules and/or Provisions
Management presence in Hong Kong	Rules 8.12 and 19A.15 of the Listing Rules
Appointment of joint company secretaries	Rules 3.28 and 8.17 of the Listing Rules
Disclosure requirements in respect of the Employee Incentive Plans	Rule 17.02(1)(b) of, and paragraph 27 of Appendix D1A to, the Listing Rules
	Paragraph 10(d) of Part I of the Third Schedule to the CWUMPO
Inclusion of the financial information for the year ended December 31, 2025 in the Prospectus	Rule 4.04(1) of the Listing Rules
	Paragraph 27 of Part I, and paragraph 31 of Part II, of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance
Acquisitions after the Track Record Period	Rules 4.04(2) and 4.04(4)(a) of the Listing Rules
Disclosure of Offer Price	Paragraph 15(2)(c) of Appendix D1A to the Listing Rules
Allocation of H Shares to existing minority shareholders or their close associates	Rule 10.04 of, and paragraph 1C(2) of Appendix F1 to, the Listing Rules
Proposed subscriptions of H Shares by a cornerstone investor who is a connected client	Paragraph 1C(1) of Appendix F1 to the Listing Rules

WAIVERS AND EXEMPTIONS

WAIVER IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

According to Rule 8.12 of the Listing Rules, our Company 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. Rule 19A.15 of the Listing Rules further provides that the requirement in Rule 8.12 of the Listing Rules may be waived by having regard to, among other considerations, our arrangements for maintaining regular communication with the Hong Kong Stock Exchange.

Our headquarters are based, and most of the business operations and assets of our Group are managed and conducted, in the PRC. Our executive Directors ordinarily reside outside Hong Kong, and they play very important roles in our Company's business operations. It is in our best interests for them to be based in places where our Group has significant operations. We consider it practically difficult and commercially unreasonable for us to arrange for two executive Directors to ordinarily reside in Hong Kong, either by means of relocation of our existing executive Directors or appointment of additional executive Directors. Therefore, our Company does not have, or does not contemplate in the foreseeable future that we will have sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rule 8.12 of the Listing Rules.

Accordingly, pursuant to Rule 19A.15 of the Listing Rules, 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 8.12 and 19A.15 of the Listing Rules subject to the following conditions:

- (i) We have appointed Dr. Howard C. Yang, the chairman of the Board and the Chief Executive Officer, and Ms. Lai Siu Kuen ("**Ms. Lai**"), a joint company secretary, as our authorized representatives (the "**Authorized Representatives**") pursuant to Rule 3.05 of the Listing Rules. The Authorized Representatives will act as our Company's principal channel of communication with the Hong Kong Stock Exchange. The Authorized Representatives will be readily contactable by phone and email to promptly deal with inquiries from the Hong Kong Stock Exchange, and will also be available to meet with the Hong Kong Stock Exchange to discuss any matter within a reasonable period of time upon request of the Hong Kong Stock Exchange. Our Company has provided contact details of the Authorized Representatives to the Stock Exchange and will inform the Stock Exchange promptly in respect of any change in the authorized representatives;
- (ii) When the Hong Kong Stock Exchange wishes to contact our Directors on any matter, each of the Authorized Representatives will have all necessary means to contact all of our Directors (including our independent non-executive Directors) and senior management team promptly at all times. Our Company will also inform the Hong Kong Stock Exchange promptly in respect of any changes in the Authorized Representatives. We have provided the Hong Kong Stock Exchange with the contact details (i.e., mobile phone number, office phone number, email address and fax

WAIVERS AND EXEMPTIONS

number, if applicable) of all Directors to facilitate communication with the Hong Kong Stock Exchange. Our Directors will also provide the phone number of the place of his/her accommodation to the Authorized Representatives in the event that any Director expects to travel or otherwise be out of office;

- (iii) All Directors who do not ordinarily reside in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and can meet with the Hong Kong Stock Exchange within a reasonable period of time;
- (iv) We have appointed Altus Capital Limited as our Compliance Adviser upon the Listing pursuant to Rule 3A.19 of the Listing Rules for a period commencing on the Listing Date and ending on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the Listing Date. The Compliance Adviser will always have access to our Authorized Representatives, Directors and members of our senior management, who will act as the additional channel of communication with the Hong Kong Stock Exchange when the Authorized Representatives are not available. The contact details of the Compliance Adviser have been provided to the Hong Kong Stock Exchange;
- (v) The Authorized Representatives, Directors and other officers of our Company will provide promptly such information and assistance as the Compliance Adviser may reasonably require in connection with the performance of the Compliance Adviser's duties as set forth in Chapter 3A of the Listing Rules. There will be adequate and efficient means of communication between our Company, Authorized Representatives, Directors and other officers of our Company and the Compliance Adviser, and, to the extent reasonably practicable and legally permissible, we will keep the Compliance Adviser informed of all communications and dealings between the Hong Kong Stock Exchange and us; meetings between the Hong Kong Stock Exchange and our Directors could be arranged through our Authorized Representatives or the Compliance Adviser, or directly with our Directors within a reasonable time frame. We will inform the Hong Kong Stock Exchange as soon as practicable in respect of any change of Authorized Representatives and/or the Compliance Adviser; and

WAIVERS AND EXEMPTIONS

- (vi) The Company has designated staff members as the communication officer at the Company's headquarters after the Listing who will be responsible for maintaining day-to-day communication with the Authorized Representatives, and the Company's professional advisers in Hong Kong, including our legal adviser in Hong Kong and the Compliance Adviser, to keep abreast of any correspondences and/or inquiries from the Hong Kong Stock Exchange and report to the executive Directors to further facilitate communication between the Hong Kong Stock Exchange and the Company.

WAIVER IN RESPECT OF JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, we must appoint a company secretary who, by virtue of his/her academic or professional qualifications or relevant experience, is, in the opinion of the Hong Kong Stock Exchange, capable of discharging the functions of the company secretary. Note 1 to Rule 3.28 of the Listing Rules provides that the Hong Kong 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 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 Securities and Futures Ordinance, 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.

Pursuant to paragraph 11 of Chapter 3.10 under the Guide for New Listing Applicants published by the Stock Exchange, the waiver will be for a fixed period of time (the "**Waiver Period**") and on the following conditions: (i) the proposed company secretary must be assisted by a person who possesses the qualifications or experience as required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the Waiver Period; and (ii) the waiver can be revoked if there are material breaches of the Listing Rules by the issuer.

WAIVERS AND EXEMPTIONS

Our Company has appointed Ms. Fu Xiao (傅曉) (“**Ms. Fu**”), our Board secretary, as one of our joint company secretaries. The Company believes that it would be in the best interests of the Company and the corporate governance of the Group to have Ms. Fu as its joint company secretary, who has been our Board secretary since September 2021 and has extensive experience and familiarity with the Company’s compliance matters, capital operation, investor relationship management and corporate governance. Ms. Fu has the necessary nexus to the Board and close working relationship with management of the Company in order to perform the duties of a joint company secretary and to take the necessary actions in the most effective and efficient manner. However, Ms. Fu presently does not possess any of the qualifications under Rules 3.28 and 8.17 of the Listing Rules, and may not be able to solely fulfill the requirements of the Listing Rules. Therefore, we have appointed Ms. Lai Siu Kuen (“**Ms. Lai**”), a fellow member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, who fully meets the requirements stipulated under Rules 3.28 and 8.17 of the Listing Rules to act as the other joint company secretary. Ms. Lai provide assistance to Ms. Fu for an initial period of three years from the Listing Date to enable Ms. Fu to acquire the “relevant experience” under Note 2 to Rule 3.28 of the Listing Rules so as to fully comply with the requirements set forth under Rules 3.28 and 8.17 of the Listing Rules.

Since Ms. Fu does not possess the qualifications required of a company secretary under Rule 3.28 of the Listing Rules, 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 the requirements under Rules 3.28 and 8.17 of the Listing Rules for a three-year period from the Listing Date, such that Ms. Fu may be appointed as a joint company secretary of our Company on the conditions that (i) Ms. Lai is appointed as a joint company secretary to assist Ms. Fu in discharging her functions as a company secretary and in gaining the relevant experience under Rule 3.28 of the Listing Rules; the waiver will be revoked immediately if Ms. Lai, during the three-year period, ceases to provide assistance to Ms. Fu as the joint company secretary; and (ii) the waiver would be revoked if there are material breaches of the Listing Rules by the Company. In addition, Ms. Fu will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules and will enhance her knowledge of the Listing Rules during the three-year period from the Listing. Ms. Fu will also be assisted by (a) our Compliance Adviser, particularly in relation to compliance with the Listing Rules; and (b) the Hong Kong legal advisers of our Company, on matters concerning our Company’s ongoing compliance with the Listing Rules and the applicable laws and regulations.

Before the expiration of the initial three-year period, the qualifications of Ms. Fu will be re-evaluated to determine whether the requirements as stipulated in Rules 3.28 and 8.17 of the Listing Rules can be satisfied. We will liaise with and demonstrate to the Hong Kong Stock Exchange to enable it to assess whether Ms. Fu, having benefited from the assistance of Ms. Lai for the preceding three years, will have acquired the skills necessary to carry out the duties of company secretary and the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

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WAIVER AND EXEMPTION IN RELATION TO THE EMPLOYEE INCENTIVE PLANS

Rule 17.02(1)(b) of the Listing Rules requires a listing applicant to, inter alia, disclose in the prospectus full details of all outstanding options and awards and their potential dilution effect on the shareholdings upon listing as well as the impact on the earnings per share arising from the issue of shares in respect of such outstanding options or awards. Pursuant to paragraphs 6 to 7 of Chapter 3.6 of the Guide for New Listing Applicants, the Hong Kong Stock Exchange would normally grant waivers from disclosing the names and addresses of certain grantees if the applicant could demonstrate that such disclosures would be irrelevant or unduly burdensome, subject to certain conditions specified therein.

Paragraph 27 of Appendix D1A to the Listing Rules requires a listing applicant to disclose, inter alia, particulars of any capital of any member of the group which is under option, or agreed conditionally or unconditionally to be put under option, including the consideration for which the option was or will be granted and the price and duration of the option, and the name and address of the grantee, or an appropriate negative statement, provided that where options have been granted or agreed to be granted to all the members or debenture holders or to any class thereof, or to employees under a share option scheme, it shall be sufficient, so far as the names and addresses are concerned, to record that fact without giving the names and addresses of the grantees.

Under section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the prospectus must state the matters specified in Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

Under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the number, description and amount of any shares in or debentures of the company which any person has, or is entitled to be given, an option to subscribe for, together with the particulars of the option, that is to say, (a) the period during which it is exercisable; (b) the price to be paid for shares or debentures subscribed for under it; (c) the consideration (if any) given or to be given for it or for the right to it; and (d) the names and addresses of the persons to whom it or the right to it was given or, if given to existing shareholders or debenture holders as such, the relevant shares or debentures must be specified in the prospectus.

As of the Latest Practicable Date, our Company had granted outstanding restricted shares respectively under the Employee Incentive Plans to 582 grantees (the “**Grantees**”), entitling them to subscribe for 26,507,067 A Shares, representing approximately 2.19%^(Note), of the total number of Shares in issue immediately after completion of the Global Offering (assuming the Over-allotment Option is not exercised and no other changes are made to the issued share

Note: For the potential dilution effect on shareholdings of our Shareholders upon full vesting of the restricted shares under the Employee Incentive Plans, see “Appendix V. Statutory and General Information — Employee Incentive Plans — Outstanding Restricted Shares Granted.”

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capital of the Company between the Latest Practicable Date and the Listing), respectively. Among the outstanding restricted shares, (i) two Directors (Dr. Howard C. Yang and Mr. Stephen Tai), and (ii) 580 Grantees who are employees of our Group and are not Directors, members of senior management, consultants or connected persons of the Company were granted restricted shares for 22,800,000 A Shares and 3,707,067 A Shares, respectively. Save for the aforementioned, no restricted shares were granted to any Director, member of senior management or connected person of our Company. No restricted shares under the Employee Incentive Plans will be further granted after Listing and all restricted shares have been granted to specific individuals under the Employee Incentive Plans.

We have applied to (i) the Hong Kong Stock Exchange for a waiver from strict compliance with the requirements under Rule 17.02(1)(b) and paragraph 27 of Appendix D1A to the Listing Rules, and (ii) the SFC for a certificate of exemption from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance pursuant to section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, in connection with the disclosure of certain details relating to the Employee Incentive Plans and the Grantees in this Prospectus on the ground that the waiver will not prejudice the interest of the investing public and full compliance with such disclosure requirements would be unduly burdensome for our Company for the following reasons:

- (a) the grant and vesting in full of the restricted shares under the Employee Incentive Plans will not cause any material adverse impact to the financial position of our Group;
- (b) there will not be any new H Shares issued under the Employee Incentive Plans as the foregoing plans are A-share incentive schemes;
- (c) our Directors consider that non-compliance with the above disclosure requirements would not prevent our Company from providing potential investors with sufficient information for an informed assessment of the activities, assets, liabilities, financial position, management and prospects of our Group; and
- (d) material information on the restricted shares under the Employee Incentive Plans have been disclosed in “Appendix V — Statutory and General Information — Employee Incentive Plans” to provide prospective investors with sufficient information to make an informed assessment of the potential dilutive effect and impact on earnings per Share of the restricted shares in making their investment decision, and such information includes:
 - (i) a summary of the terms of the Employee Incentive Plans;
 - (ii) the aggregate number of A Shares subject to the outstanding restricted shares, and the percentage in our total issued Shares of which such number represents; and

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- (iii) the details of the outstanding restricted shares granted under the Employee Incentive Plans by the range of underlying A Shares, including date of grant, vesting period, purchase price and the percentage of our Company's total issued share capital represented upon completion of the Global Offering.

In light of the above, our Directors believe that the grant of the waiver sought under this application and the non-disclosure of the required information will not hinder potential investors from making an informed assessment of the activities, assets and liabilities, financial position, management and prospects of our Group and will not prejudice the interest of the public investors.

The Stock Exchange has granted to us a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of the Listing Rules with respect to the restricted shares granted under the Employee Incentive Plans, subject to the conditions that:

- (a) on an individual basis, full details of the outstanding restricted shares granted by the Company under the Employee Incentive Plans to each of the Directors, members of the senior management and connected persons of the Company, and Grantees who have been granted outstanding restricted shares to subscribe for 11,000,000 A Shares or more, including all the particulars required under Rule 17.02(1)(b) of and paragraph 27 of Appendix D1A to the Listing Rules and paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, are disclosed in this Prospectus;
- (b) in respect of the restricted shares granted by our Company under the Employee Incentive Plans to the remaining Grantees other than those referred to in subparagraph above (the “**Other Grantee(s)**”), disclosure will be made on aggregate basis, categorized into lots based on the number of A Shares underlying the restricted shares granted under the Employee Incentive Plans to each individual grantee, being (1) in the case of the Employee Incentive Plan 2023, (i) 1 to 4,999 A Shares, (ii) 5,000 to 9,999 A Shares, and (iii) 10,000 A Shares or more; and (2) in the case of the Employee Incentive Plan 2024, (i) 1 to 9,999 A Shares, (ii) 10,000 to 19,999 A Shares, and (iii) 20,000 A Shares or more. For each lot, the following details are disclosed on an aggregated basis: (1) the aggregate number of grantees and number of A Shares underlying the restricted shares granted under the Employee Incentive Plans as of the Latest Practicable Date, (2) the consideration paid for the grant of the restricted shares (if applicable), and (3) the purchase period and the purchase price of the restricted shares granted under the Employee Incentive Plans;
- (c) the aggregate number of A Shares underlying the outstanding restricted shares and the percentage of our Company's total issued share capital represented by such number of A Shares upon completion of the Global Offering will be disclosed in this Prospectus;

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- (d) a summary of the principal terms of the Employee Incentive Plans will be disclosed in the section headed “Appendix V — Statutory and General Information — Employee Incentive Plans” in this Prospectus;
- (e) the dilution effect and impact on earnings per Share upon full vesting of the restricted shares granted under the Employee Incentive Plans be disclosed in this Prospectus;
- (f) the grant of a certificate of exemption under the Companies (Winding Up and Miscellaneous Provisions) Ordinance from the SFC exempting our Company from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance; and
- (g) the particulars of this waiver are set out in this Prospectus; and a full list of all the Grantees (including the persons referred to in sub-paragraphs (a) and (b) above) who have been granted outstanding restricted shares for A Shares under the Employee Incentive Plans, containing all details as required under Rule 17.02(1)(b) of and paragraph 27 of Appendix D1A to the Listing Rules and paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, be made available for public inspection in accordance with “Documents Delivered to the Registrar of Companies in Hong Kong and Available on Display — Document Available for Inspection” in Appendix VI to this Prospectus.

The SFC has granted us a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance exempting our Company from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance with respect to the restricted shares granted under the Employee Incentive Plans, subject to the conditions that:

- (a) on an individual basis, full details of the outstanding restricted shares granted by the Company under the Employee Incentive Plans to each of the Directors, members of the senior management and connected persons of the Company, and Grantees who have been granted outstanding restricted shares to subscribe for 11,000,000 A Shares or more, are disclosed in this Prospectus, and such details include all the particulars required under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- (b) in respect of the restricted shares granted by our Company under the Employee Incentive Plans to the Other Grantees, disclosure will be made on aggregate basis, categorized into lots based on the number of A Shares underlying the restricted shares granted under the Employee Incentive Plans to each individual grantee, being (1) in the case of the Employee Incentive Plan 2023, (i) 1 to 4,999 A Shares, (ii) 5,000 to 9,999 A Shares, and (iii) 10,000 A Shares or more; and (2) in the case of the Employee Incentive Plan 2024, (i) 1 to 9,999 A Shares, (ii) 10,000 to 19,999 A Shares, and (iii) 20,000 A Shares or more. For each lot, the following details are

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disclosed on an aggregated basis: (1) the aggregate number of grantees and number of A Shares underlying the restricted shares granted under the Employee Incentive Plans as of the Latest Practicable Date, (2) the consideration paid for the grant of the restricted shares (if applicable), and (3) the purchase period and the purchase price of the restricted shares granted under the Employee Incentive Plans;

- (c) a full list of all the Grantees (including the persons referred to in sub-paragraphs (a) and (b) above) who have been granted outstanding restricted shares over A Shares under the Employee Incentive Plans, containing all details as required under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, be made available for public inspection in accordance with “Documents Delivered to the Registrar of Companies in Hong Kong and Available on Display — Document Available for Inspection” in Appendix VI to this Prospectus;
- (d) the particulars of the exemption be set forth in this Prospectus; and
- (e) this Prospectus will be issued on or before January 30, 2026.

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

Rule 4.04(1) of the Listing Rules requires that the consolidated results of our Group in respect of each of the three financial years immediately preceding the issue of this Prospectus or such shorter period as may be acceptable to the Stock Exchange be included in the Accountant’s Report to this Prospectus.

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

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

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Pursuant to paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, our Company is required to include in this Prospectus a report by the auditors of with respect to our profits and losses in respect of each of the three financial years immediately preceding the issue of this Prospectus and our assets and liabilities as at the last date to which the financial statements were prepared.

Pursuant to paragraph 19 of Chapter 1.1A of the Guide for New Listing Applicants published by the Stock Exchange, in view of the shortened deadline for releasing preliminary results announcements and to enable potential investors to have adequate and timely information, where an applicant issues its listing document in the two months after the latest year end, the Stock Exchange has provided the conditions for granting waiver from strict compliance with Rule 4.04(1) of the Listing Rules as follows:

- (a) the applicant must list on the Exchange within three months after the latest year end;
- (b) the applicant must obtain a certificate of exemption from the SFC on compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance requirements;
- (c) a profit estimate for the latest financial year in compliance with Rules 11.17 to 11.19 of the Listing Rules must be included in the listing document, or the applicant must provide justification why a profit estimate cannot be included in the listing document;
- (d) the Prospectus must contain a Directors' statement that there is no material adverse change to its financial and trading positions or prospect with specific reference to the trading results from the end of the stub period to the latest financial year end; and
- (e) the applicant must publish its annual results and annual report within the time prescribed under the Rules 13.49(1) and 13.46(1) of the Listing Rules, respectively.

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

The financial year of the Company ends on December 31. The Accountants' Report in this Prospectus contains the historical financial information of the Group for the three years ended December 31, 2024 and the nine months ended September 30, 2025, but does not include the historical financial information of the Group in respect of the full year immediately preceding

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the proposed date of issue of the Prospectus, being the full year ended December 31, 2025, as required under Rule 4.04(1) of the Listing Rules, paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

The waiver and exemption applied for would not prejudice the interest of the investing public. The strict compliance with the requirements under Rule 4.04(1) of the Listing Rules, paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance would be unduly burdensome for the following reasons:

- (a) our Directors and the Joint Sponsors confirm that, after performing sufficient due diligence work up to the date of the Prospectus, there has been no material adverse change in the financial and trading positions or prospects of our Group since October 1, 2025 (that is, immediately following the date of the latest audited statement of financial position in the Accountant's Report set out in Appendix I to this Prospectus) and up to the date of the Prospectus, and that there has been no event which would materially affect the information contained in the Accountant's Report, the section headed "Financial Information", the unaudited pro forma financial information, the profit estimate for the year ended December 31, 2025 as set out in Appendix IIA and other parts of the Prospectus since October 1, 2025 and up to the date of the Prospectus;
- (b) there would not be sufficient time for our Company and the reporting accountant to finalize the audited financial statements for the year ended December 31, 2025 for inclusion in the Prospectus. If the financial information for the year ended December 31, 2025 is required to be audited, our Company and the reporting accountant would have to carry out a substantial amount of work to prepare, update and finalize the Accountant's Report and the Prospectus, and the relevant sections of the Prospectus will need to be updated to cover such additional period. This would involve additional time and costs since substantial work is required to be carried out for audit purposes. It would be unduly burdensome for our Company and the reporting accountant to undertake to prepare, update and finalize the Accountant's Report to cover such additional period within a short period of time. Our Directors consider that the benefits of such work to the Shareholders may not justify the additional work and expenses involved and the significant delay to the Listing timetable;
- (c) our Company is of the view that the Accountant's Report covering the years ended December 31, 2022, 2023 and 2024 and the nine months ended September 30, 2025, together with the profit estimate for the year ended December 31, 2025 (in compliance with Rules 11.17 to 11.19 of the Listing Rules) and the information regarding our Group's recent developments subsequent to the Track Record Period and up to the Latest Practicable Date included in the Prospectus have already provided potential investors with adequate and reasonably up-to-date information in the circumstances to form a view on the track record and earnings trend of our

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Group. Our Directors and the Joint Sponsors confirm that all information which is necessary for the investing public to make an informed assessment of our Group's business, activities, assets and liabilities, financial position, trading position, management and prospects are included in the Prospectus. Therefore, the waiver and exemption would not prejudice the interests of the investing public; and

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

In light of the above, we have applied for, and the Stock Exchange has granted us, a waiver from strict compliance with the requirements under Rule 4.04(1) of the Listing Rules on the conditions that (i) the Prospectus will be issued on or before January 30, 2026; (ii) the Company's H Shares shall be listed on the Stock Exchange on or before March 31, 2026; (iii) we have obtained a certificate of exemption from the SFC from similar requirements under section 342(1) in relation to paragraphs 27 and 31 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance; (iv) a profit estimate for the financial year ended December 31, 2025 in compliance with Rules 11.17 to 11.19 of the Listing Rules shall be included in the Prospectus; and (v) a Directors' statement that there is no material adverse change to the financial and trading positions or prospects of our Company with specific reference to the trading results from October 1, 2025 to December 31, 2025 and thereafter up to the date of this Prospectus shall be included in the Prospectus.

We have also applied for, and the SFC has granted us, a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance from strict compliance with the requirements under paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the conditions that (i) the particulars of the exemption are set out in the Prospectus; (ii) the Prospectus will be issued on or before January 30, 2026; and (iii) our H Shares will be listed on the Stock Exchange on or before March 31, 2026.

WAIVER IN RESPECT OF BUSINESSES ACQUIRED AFTER THE TRACK RECORD PERIOD

Pursuant to Rules 4.04(2) and 4.04(4)(a) of the Listing Rules, the accountants' report to be included in a listing document must include the income statements and balance sheet of any business or subsidiary acquired, agreed to be acquired or proposed to be acquired since the date to which the latest audited accounts of the issuer have been made up in respect of each of the three financial years immediately preceding the issue of the listing document.

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Pursuant to note (4) of Rule 4.04(4) of the Listing Rules, the Stock Exchange may consider an application for a waiver of Rules 4.04(2) and 4.04(4) of the Listing Rules taking into account the following factors:

- (a) that all the percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) are less than 5% by reference to the most recent audited financial year of the new applicant's trading record period;
- (b) if the acquisition will be financed by the proceeds raised from a public offer, the new applicant has obtained a certificate of exemption from the SFC in respect of the relevant requirements under paragraphs 32 and 33 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance; and
- (c) (i) where a new applicant's principal activities involve the acquisition of equity securities (the Stock Exchange may require further information where securities acquired are unlisted), the new applicant is not able to exercise any control, and does not have any significant influence over the underlying company or business to which Rule 4.04(2) and 4.04(4) of the Listing Rules relate, and has disclosed in its listing document the reasons for the acquisition and a confirmation that the counterparties and their respective ultimate beneficial owners are independent of the new applicant and its connected persons. In this regard, "control" means the ability to exercise or control the exercise of 30% (or any amount specified in the Hong Kong Code on Takeovers and Mergers as the level for triggering a mandatory general offer) or more of the voting power at general meeting, or being in a position to control the composition of a majority of the board of directors of the underlying company or business; or

(ii) with respect to an acquisition of a business (including acquisition of an associated company and any equity interest in a company other than in the circumstances covered under sub-paragraph (a) above) or a subsidiary by a new applicant, the historical financial information of such business or subsidiary is unavailable, and it would be unduly burdensome for the new applicant to obtain or prepare such financial information; and the new applicant has disclosed in its listing document information required for the announcement for a discloseable transaction under Rules 14.58 and 14.60 of the Listing Rules on each acquisition. In this regard, "unduly burdensome" will be assessed based on each new applicant's specific facts and circumstances (e.g. why the financial information of the acquisition target is not available and whether the new applicant or its controlling shareholder has sufficient control or influence over the seller to gain access to the acquisition target's books and records for the purpose of complying with the disclosure requirements under Rules 4.04(2) and 4.04(4) of the Listing Rules).

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Investment in Company X

On December 30, 2025, we, as placee in the global offering of Company X, committed to minority investment in Company X, a joint stock company established in the PRC and whose H shares are listed on Main Board of the Stock Exchange, for a consideration of approximately HK\$9.9 million (the “**Company X Investment**”). The consideration is based on the final offer price of Company X’s H shares. Pursuant to the Company X Investment, we were allotted 503,000 H shares in Company X (representing approximately 0.02% of Company X’s total issued share capital upon the completion of its global offering) at the investment amount, which was fully settled on the same date with our internal funds.

Company X is a developer of general-purpose computing on graphics processing units (“**GPGPU**”) chips and GPGPU-based intelligent computing solutions to provide the foundational computing power required by AI.

According to the financial statements of Company X audited by its reporting accountant pursuant to the requirements of HKSIR 200 as set out in the listing document of Company X:

	As of December 31,			As of June 30,
	2022	2023	2024	2025
	<i>(RMB in thousands)</i>			
Total assets	3,546,573	3,397,768	3,041,147	4,020,289
	For the year ended December 31,			For the six months ended June 30,
	2022	2023	2024	2025
	<i>(RMB in thousands)</i>			
Revenue	499	62,030	336,803	58,903
Loss before income tax . . .	(1,474,187)	(1,744,058)	(1,538,189)	(1,600,526)
Loss for the year/period . . .	(1,474,312)	(1,743,955)	(1,538,100)	(1,600,526)

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Investment in Company Y

On January 9, 2026, we, as placee in the global offering of Company Y, committed to minority investment in Company Y, a joint stock company established in the PRC whose A shares are listed on the Shanghai Stock Exchange and whose H shares are listed on Main Board of the Stock Exchange, for a consideration of approximately HK\$23.3 million (the “**Company Y Investment**”). The consideration is based on the final offer price of Company Y’s H shares. Pursuant to the Company Y Investment, we were allotted 144,000 H shares in Company Y (representing approximately 0.02% of Company Y’s total issued share capital upon the completion of its global offering) at the investment amount, which was fully settled on the same date with our internal funds.

Company Y is an Integrated Circuit design house for a diverse range of chips, including, amongst others, flash memory chips, niche dynamic random access memory, micro control units, analog chips and sensor chips.

According to the financial statements of Company Y audited by its reporting accountant pursuant to the requirements of IFRS Accounting Standards as set out in the listing document of Company Y:

	As of December 31,			As of June 30,
	2022	2023	2024	2025
	(RMB in thousands)			
Total assets less current liabilities	15,450,023	15,469,605	16,898,323	17,644,437
	For the year ended December 31,			For the six months ended June 30,
	2022	2023	2024	2025
	(RMB in thousands)			
Revenue	8,129,992	5,760,823	7,355,978	4,150,309
Profit before taxation.	2,262,425	124,748	1,123,663	596,079
Profit for the year/period. . .	2,052,882	161,141	1,100,881	587,835

Proposed Investment in Marvell Technology

We propose to, through Montage Technology Holdings Company Limited, our wholly owned subsidiary, dispose of 13.075% interests in XConn Technologies Holdings, Ltd. (the “**Target Company**”) being our entire interests held therein on a fully diluted basis, to Marvell Technology, Inc. (“**Marvell Technology**”), for a preliminary consideration of between US\$58 million and US\$65 million (the “**Target Interests Disposal**”). The Target Company is engaged

WAIVERS AND EXEMPTIONS

in the design and sales of integrated circuit, and specialises in CXL/PCIe Switch. The Target Interests Disposal forms part of Marvell Technology’s proposed acquisition of the entire issued shares of the Target Company. As agreed between the relevant parties, 60% of the final consideration is expected be settled in cash whilst the remaining 40% of the consideration is expected to be settled with consideration shares of Marvell Technology (the “**Consideration Shares**”), at a per share conversion price of US\$88.3554 (the “**Proposed Marvell Technology Investment**”, together with the Company X Investment and the Company Y Investment, the “**Post-TRP Acquisitions**”). The consideration of the Target Interests Disposal to be received by us forms part of the larger consideration of Marvell Technology’s proposed acquisition of the entire issued shares of the Target Company, which is determined based on the due diligence result and arm’s length negotiations taking into account the valuation of the industry in which the Target Company operates, as well as parties’ perception over the growth potential thereof. Pursuant to the Proposed Marvell Technology Investment, and assuming that (i) we will receive the highest possible consideration for the Target Interests Disposal, being US\$65 million; (ii) 40% of the consideration for the Target Interests Disposal, being US\$26 million, are to be settled with the Consideration Shares, and (iii) based on the total issued shares of Marvell Technology as set out in its latest public filings, we will be interested in less than 0.035% of the enlarged total issued shares of Marvell Technology following completion of the Proposed Marvell Technology Investment.

Marvell Technology is a supplier of semiconductor products, with a focus on developing and scaling System-on-a-Chip architectures, integrating analog, mixed-signal and digital signal processing functionality. Its shares are listed on The Nasdaq Global Select Market (trading symbol: MRVL).

As of the Latest Practicable Date, we, as shareholder of the Target Company, have signed a support agreement with Marvell Technology to affirm that, among other things, we will vote for the merger agreement in connection with the merge of the Target Company into Marvell Technology to be put forward for shareholders’ approval at the relevant general meeting of the Target Company. The completion of the Target Interests Disposal is subject to closing conditions including, among others, other shareholders of the Target Company have approved the transaction, and the transaction has passed regulatory vetting.

According to the financial statements of Marvell Technology audited or reviewed (as applicable) by its independent registered public accounting firm in conformity with the accounting principles generally accepted in the United States of America as set out in the public filings of Marvell Technology:

	As of January 28, 2023	As of February 3, 2024	As of February 1, 2025	As of November 1, 2025
		(US\$ in 100 millions)		
Total assets	225.22	212.29	202.05	215.79

WAIVERS AND EXEMPTIONS

	For the year ended January 28, 2023	For the year ended February 3, 2024	For the year ended February 1, 2025	For the nine months ended November 1, 2025
	<i>(US\$ in 100 millions)</i>			
Revenue	59.20	55.08	57.67	59.76
Income (loss) before income tax	0.85	(7.59)	(8.95)	26.65
Income (loss) for the year/period	(1.64)	(9.33)	(8.85)	22.74

We believe that, given the growth potential of the targets of the Post-TRP Acquisitions in their respective industry value chain, the Post-TRP Acquisitions would potentially be able to deliver financial return to our Group. To our best knowledge, each of Marvell Technology, Company X and Company Y and their respective ultimate beneficial owners are Independent Third Parties. We considered that the Post-TRP Acquisitions are on normal commercial terms, fair and reasonable and in the interest of our Company and the Shareholders as a whole.

In light of the Post-TRP Acquisitions, under Rules 4.04(2) and 4.04(4)(a) of the Listing Rules, we are required to present in this prospectus the financial information of each of Marvell Technology, Company X and Company Y during the Track Record Period.

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 Rules 4.04(2) and 4.04(4)(a) of the Listing Rules on the following basis:

- (a) The requested waiver would not prejudice the interests of the investing public.
 - i. the total number of H shares of Company X and Company Y and shares of Marvell Technology that we acquired after the Track Record Period only represented approximately 0.02% of the enlarged issued share capital of each of Company X and Company Y, respectively, and less than 0.035% of the enlarged issued share capital of Marvell Technology, and all applicable size test percentage ratios under Rule 14.04(9) of the Listing Rules for either of Marvell Technology, Company X Investment or Company Y Investment, or for the Post-TRP Acquisitions as a whole, are significantly less than 5%;
 - ii. based on the equity acquisition nature of Post-TRP Acquisitions, we are not able to exercise control over either of Marvell Technology, Company X or Company Y at board or shareholders' level;

WAIVERS AND EXEMPTIONS

- iii. the equity interest acquired pursuant to the Post-TRP Acquisitions will only be accounted for as financial assets, and the financials of either of Marvell Technology, Company X or Company Y will not be consolidated into the financials of our Company, hence the Post-TRP Acquisitions would not result in any material change to the financial performance or position of our Company; and
- iv. the Post-TRP Acquisitions will not result in any material change to our Company's financial position and all information that is reasonably necessary for the potential investors to make an informed assessment of the activities of our Company's financial position will be included in this prospectus. As such, our Company considers a waiver from compliance with Rules 4.04(2) and 4.04(4)(a) of the Listing Rules with respect to the Post-TRP Acquisitions would not prejudice the interests of the investing public.

(b) It would be impracticable and unduly burdensome to our Company.

Apart from what is available in the public domain, our Company has no access to the books and records of Marvell Technology, Company X or Company Y for conducting an audit given that we will not, as a result of or immediately following the Post-TRP Acquisitions, have any control over Marvell Technology, Company X or Company Y, nor will we have any representative on or control over its boards of directors, or be in a position to consolidate the financials of Marvell Technology, Company X or Company Y.

As we will not have sufficient information to prepare the historical financial information of Marvell Technology, Company X or Company Y, it would be impracticable and unduly burdensome for us to prepare the information required under Rules 4.04(2) and 4.04(4)(a) of the Listing Rules for inclusion in this prospectus.

(c) Alternative information has been provided in this Prospectus.

We have provided alternative information in this document in connection with the Post-TRP Acquisitions required for the announcement for a discloseable transaction under Rules 14.58 and 14.60 of the Listing Rules for the Post-TRP Acquisitions. We have also disclosed above the reasons for the Post-TRP Acquisitions and confirmed that each of Marvell Technology, Company X and Company Y and their ultimate beneficial owners are Independent Third Parties.

For the avoidance of doubt, the identity of either of Company X or Company Y is not disclosed in this prospectus because (i) given the competitive nature of the industry in which we operate, it is commercially sensitive to disclose the identity of either of Company X or Company Y to avoid the competitors of us anticipating our plans of business growth; and (ii) there has been no public disclosures of any other information pertaining to the Post-TRP Acquisitions.

WAIVERS AND EXEMPTIONS

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 the 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 Shanghai Stock Exchange on the last trading day on or before the Price Determination Date. Our Company is unable to control the trading price of our A Shares on the Shanghai Stock Exchange;
- (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 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 the 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 Shanghai Stock Exchange during the Track Record Period and up to the Latest Practicable Date;

WAIVERS AND EXEMPTIONS

- (d) the determinants of the final Offer Price; and
- (e) the source for investors to access the latest market price of the Company's A Shares.

See “Structure of the Global Offering — Pricing of the Global Offering” in this prospectus for the historical closing prices of our A Shares and trading volume on the Shanghai Stock Exchange.

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

Rule 10.04 of the Listing Rules requires that a person who is an existing shareholder of a listing applicant may only subscribe for or purchase any securities for which listing is sought that are being marketed by or on behalf of a listing applicant either in his/her/its own name or through nominees if the conditions in Rule 10.03 of the Listing Rules are fulfilled, namely that (i) no securities are to be offered to the existing shareholders on a preferential basis and no preferential treatment is given to them in the allocation of the securities; and (ii) the minimum prescribed percentage of public shareholders required by Rule 8.08(1) of the Listing Rules is achieved. Paragraph 1C(2) of Appendix F1 to the Listing Rules states that, without the prior written consent of the Stock Exchange, no allocations will be permitted to be made to directors or existing shareholders of a listing applicant or their close associates, unless the conditions set out in Rules 10.03 and 10.04 are fulfilled.

Chapter 4.15 of the Guide 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.

Prior to the Listing, our share capital comprises entirely A Shares listed on the Shanghai Stock Exchange STAR Market. As a company listed on the Shanghai Stock Exchange STAR Market with its A Shares publicly traded thereon and with a large public A Shares shareholder base, it would be unduly burdensome for us to seek the prior consent of the Stock Exchange for each of our minority existing Shareholders or their close associates who subscribe for the H Shares in the Global Offering.

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We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with 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 voting rights in 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 of our Company or the close associates of any such core connected person (together, the “**Permitted Existing Shareholder**”), on the following conditions:

- (a) each Permitted Existing Shareholder to whom our Company may allocate the H Shares under the International Offering holds less than 5% of the voting rights in our Company prior to the completion of the Global Offering;
- (b) each Permitted Existing 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;
- (c) none of the Permitted Existing Shareholders has the power to appoint any Directors nor have any other special rights in our Company;
- (d) allocation to the Permitted Existing Shareholders will not affect our Company’s ability to satisfy the public float requirement as prescribed by the Stock Exchange under the waiver in respect of the strict compliance with the requirements of Rule 8.08 (as amended and replaced by Rule 19A.13A) of the Listing Rules;
- (e) details of the allocation to the Permitted Existing Shareholders holding more than 1% of the issued share capital of the 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;
- (f) to the best knowledge and belief of our Company and the Joint Sponsors, and based on discussions between our Company and the Overall Coordinators and confirmations required to be submitted to the Stock Exchange by the Joint Sponsors, we will confirm to the Stock Exchange that:
 - a. in case of participation as cornerstone investors, no preferential treatment has been, nor will be, given to the Permitted Existing 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, nor is the Permitted Existing Shareholders in a position to exert influence on the Company to obtain actual or perceived preferential treatment, and the Permitted Existing Shareholders’ or their close associates’ cornerstone

WAIVERS AND EXEMPTIONS

investment agreements do not contain any material terms which are more favorable to the Permitted Existing Shareholders or their close associates than those in other cornerstone investment agreements; or

- b. in case of participation as placees, no preferential treatment will be given to the Permitted Existing Shareholders or their close associates, nor is the Permitted Existing Shareholders in a position to exert influence on the Company to obtain actual or perceived preferential treatment, in the allocation process by virtue of their relationship with our Company;
- (g) in the case of participation as placees, the Overall Coordinators will confirm to the Stock Exchange that, to the best of their knowledge and belief, no preferential treatment has been, nor will be, given to any of the Permitted Existing Shareholders or their close associates by virtue of their relationship with our Company in any allocation in the International Offering; and
- (h) the Joint Sponsors will confirm to the Stock Exchange that to the best of their knowledge and belief, they have no reason to believe that the Permitted Existing Shareholders or their close associates received any preferential treatment, or is in a position to exert influence on the Company to obtain actual or perceived preferential treatment in the allocation process either as cornerstone investors or as placees by virtue of their relationship with our Company, other than, in the case of participation as cornerstone investors, the preferential treatment of assured entitlement under a cornerstone investment following the principles set out in Chapter 4.15 of the Guide, and details of the allocation to the Permitted Existing Shareholders holding more than 1% of the issued share capital of the 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.

CONSENT IN RESPECT OF THE PROPOSED SUBSCRIPTION OF H SHARES BY UBS 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.

WAIVERS AND EXEMPTIONS

UBS Asset Management (Singapore) Ltd. (“**UBS AM**”) has entered into a cornerstone investment agreement with the Company and, among others, UBS AG Hong Kong Branch to subscribe for Offer Shares and will hold the Offer Shares on a discretionary basis for and on behalf of its underlying clients and accounts under the International Offering. UBS AM is the delegate of the investment manager for and on behalf of its underlying clients and accounts. UBS AG Hong Kong Branch (“**UBS HK**”) has been appointed, amongst others, as one of the Overall Coordinators and Underwriters of the Global Offering. UBS AM and UBS HK are members of the same group of companies. As a result, UBS AM is a connected client of UBS HK.

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 UBS AM 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:

- (a) any Offer Shares to be allocated to UBS AM will be held on behalf of independent third parties;
- (b) the cornerstone investment agreement of UBS AM does not contain any material terms which are more favorable to it than those in other cornerstone investment agreements;
- (c) UBS HK has not participated, and will not participate, in the decision-making process or relevant discussions among the Company, the Underwriters and the Overall Coordinators as to whether Offer Shares will be allocated to UBS AM;
- (d) no preferential treatment has been, nor will be, given to UBS AM by virtue of its relationship with UBS HK in any allocation of Offer Shares in the International Offering other than the assured entitlement under the relevant cornerstone investment agreement;
- (e) UBS AM confirms that to the best of its knowledge and belief, it has not received and will not receive preferential treatment in the allocation of Offer Shares in the Global Offering as a cornerstone investor by virtue of its relationship with UBS HK other than the assured entitlement under the relevant cornerstone investment agreement;
- (f) each of the Company, the Overall Coordinators, UBS AM and UBS HK 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 investment and details of the allocations will be disclosed in this prospectus and the allotment results announcement.

DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

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

CSRC FILING

The Company has completed the filing procedures with CSRC for the listing of our H Shares on the Stock Exchange and the Global Offering.

THE HONG KONG PUBLIC OFFERING AND THIS PROSPECTUS

This Prospectus is published solely in connection with the Hong Kong Public Offering, which forms part of the Global Offering. The Global Offering comprises the Hong Kong Public Offering of initially 6,589,000 Offer Shares and the International Offering of initially 59,301,000 Offer Shares (subject to, in each case, reallocation on the basis referred to in “Structure of the Global Offering” in this Prospectus and, in case of the International Offering, to any exercise of the Over-allotment Option).

The listing of our H Shares on the Stock Exchange is sponsored by Joint Sponsors and the Global Offering is managed by the Overall Coordinators. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters pursuant to the Hong Kong Underwriting Agreement, subject to us and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) agreeing on the Offer Price. The International Offering is expected to be fully underwritten by the International Underwriters pursuant to the terms of the International Underwriting Agreement which is expected to be entered into on or before February 5, 2026. For further information regarding the Underwriters and the Underwriting Agreements, see “Underwriting” in this Prospectus.

The Offer Shares are offered solely on the basis of the information contained and representations made in this Prospectus and on the terms and subject to the conditions set out herein. No person is authorized to give any information in connection with the Global Offering or to make any representation not contained in this Prospectus, and any information or representation not contained herein must not be relied upon as having been authorized by our Company, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the

INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING

Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, the Underwriters, any of our or their affiliates or any of their respective directors, officers, employees, advisers, agents or representatives, 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, create any implication that there has been no change in our affairs since the date of this Prospectus or that the information in this Prospectus is correct as of any subsequent time.

STRUCTURE OF THE GLOBAL OFFERING

For details of the structure of the Global Offering, including its conditions and the arrangements relating to the Over-allotment Option and stabilization, see “Structure of the Global Offering” and “Underwriting” in this Prospectus.

RESTRICTIONS ON OFFER AND SALE OF THE OFFER SHARES

Each person acquiring the H 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 the offer and sale of the Hong Kong Offer Shares described in this Prospectus.

No action has been taken to permit a public offering of the H Shares outside Hong Kong or the distribution of this Prospectus in any jurisdiction other than Hong Kong. Accordingly, without limitation to the following, 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 for subscription. 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 Offer Shares have not been offered or sold, and will not be offered or sold, directly or indirectly, in the PRC.

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 Over-allotment Option).

INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING

Dealings in the H Shares on the Hong Kong Stock Exchange are expected to commence on Monday, February 9, 2026. Save as the A Shares that have been listed on the Shanghai Stock Exchange STAR Market and our pending application to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the H Shares, no part of our share capital or debt securities is listed on or dealt in on any other stock exchange, and no such listing or permission to list is being or proposed to be sought as of the Latest Practicable Date. 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 our Company by or on behalf of the Hong Kong Stock Exchange.

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 compliance 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 Hong Kong Stock Exchange or on 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 enabling the H Shares to be admitted into CCASS. Investors should seek the advice of their stockbrokers or other professional advisers for details of the settlement arrangements as such arrangements may affect their rights and interests.

PROCEDURES FOR APPLICATION FOR HONG KONG OFFER SHARES

The procedures for applying for Hong Kong Offer Shares are set out in “How to Apply for Hong Kong Offer Shares” in this Prospectus.

H SHARE REGISTER AND STAMP DUTY

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

Dealings in the H Shares registered on the H Share register of members of our Company in Hong Kong will be subject to Hong Kong stamp duty.

INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING

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

PROFESSIONAL TAX ADVICE RECOMMENDED

Potential investors in the Global Offering are recommended to consult their professional advisers as to the taxation implications of subscribing for, purchasing, holding or disposal of, and/or dealing in the H Shares or exercising rights attached to them. None of us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Market Intermediaries, any of their respective directors, officers, employees, partners, agents, advisers or representatives or any other person or party involved in the Global Offering accepts responsibility for any tax effects on, or liabilities of, any person resulting from the subscription, purchasing, holding, disposition of, or dealing in, the H Shares or exercising any rights attached to them.

EXCHANGE RATE CONVERSION

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

Unless indicated otherwise, (i) the translations between Renminbi and U.S. dollars were made at the rate of RMB7.0006 to US\$1.00, (ii) the translations between Hong Kong dollars and Renminbi were made at the rate of RMB0.8978 to HK\$1.00, and (iii) the translations between U.S. dollars and Hong Kong dollars were made at the rate of HK\$7.7979 to US\$1.00, being the PBOC rates prevailing on January 20, 2026.

No representation is made that the amounts denominated in one currency could actually be converted into the amounts denominated in another currency at the rates indicated or at all.

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 subsidiaries) have been included in this Prospectus in both the Chinese and English languages. In the event of any inconsistency, the Chinese name shall prevail.

ROUNDING

Certain amounts and percentage figures included in this Prospectus have been subject to rounding adjustments. Any discrepancies between totals and sums of amounts listed in any table, chart or elsewhere in this Prospectus are due to rounding.

DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

DIRECTORS

Name	Address	Nationality

Executive Directors

Dr. Howard C. Yang (楊崇和)	10D Lane 9 No. 1720, Hongqiao Road Shanghai PRC	American

Mr. Stephen Kuong-Lo Tai	4643 LONGNOOK CT LAS VEGAS NV 89147-4749 USA	American

Non-executive Directors

Dr. Wang Rui	Room 2110 GTC Residence Beijing PRC	American

Ms. Fang Zhoujie (方周婕)	Room 502 Lane 102, No. 358 Heqing Road Minhang Shanghai PRC	Chinese

DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

Name	Address	Nationality
Independent non-executive Directors		
Dr. Li Ruoshan (李若山)	Lane 27, No. 1068 Xinzha Road Jing'an Shanghai PRC	Chinese
Dr. Yuhua Cheng	Lane 13 No. 618 Qingtong Road Pudong Shanghai PRC	American
Dr. Shan Hailing (單海玲)	Room 2501 Lane 169, No. 1038 Huashan Road Shanghai PRC	Chinese
Professor Ko Ping Keung (高秉強)	Flat A, 37/F Block 25 Double Cove Starview Prime 8 Wu Kai Sha Road Ma On Shan Hong Kong	Chinese (Hong Kong)

For further details on our Directors, see the section headed “Directors and Senior Management” in this Prospectus.

DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

PARTIES INVOLVED IN THE GLOBAL OFFERING

Joint Sponsors *(in alphabetical order)*

China International Capital Corporation

Hong Kong Securities Limited

29/F One International Finance Centre

1 Harbour View Street

Central

Hong Kong

Morgan Stanley Asia Limited

46th Floor, International Commerce Centre

1 Austin Road West

Kowloon

Hong Kong

UBS Securities Hong Kong Limited

52/F Two International Finance Centre

8 Finance Street

Central

Hong Kong

Sponsor-Overall Coordinators and Overall Coordinators *(in alphabetical order)*

China International Capital Corporation

Hong Kong Securities Limited

29/F One International Finance Centre

1 Harbour View Street

Central

Hong Kong

Morgan Stanley Asia Limited

46th Floor, International Commerce Centre

1 Austin Road West

Kowloon

Hong Kong

UBS AG Hong Kong Branch

52/F Two International Finance Centre

8 Finance Street

Central

Hong Kong

DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

Non-Sponsor-Overall

**Coordinators, Overall Coordinators,
Joint Global Coordinators, Joint
Bookrunners, Joint Lead Managers and
Capital Market Intermediaries**

Goldman Sachs (Asia) L.L.C.

68/F, Cheung Kong Center
2 Queen's Road Central
Central
Hong Kong

CLSA Limited

18/F, One Pacific Place
88 Queensway
Hong Kong

**Joint Global Coordinators (*in alphabetical
order*)**

China International Capital Corporation

Hong Kong Securities Limited

29/F One International Finance Centre
1 Harbour View Street
Central
Hong Kong

Morgan Stanley Asia Limited

46th Floor, International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

UBS AG Hong Kong Branch

52/F Two International Finance Centre
8 Finance Street
Central
Hong Kong

**Joint Bookrunners, Joint Lead Managers
and Capital Market Intermediaries (*in
alphabetical order*)**

China International Capital Corporation

Hong Kong Securities Limited

29/F One International Finance Centre
1 Harbour View Street
Central
Hong Kong

Morgan Stanley Asia Limited

46th Floor, International Commerce Centre
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INDUSTRY OVERVIEW

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GLOBAL HIGH-SPEED INTERCONNECT CHIP MARKET OVERVIEW

Definition and Classification of High-Speed Interconnect Chips

High-speed interconnect chips are vital components enabling high-speed data connect and exchange in data centers, servers, and computers. They address bottlenecks in data transmission arising from continuous upgrades to intelligent computing systems. By supporting multiple standardized communication protocols and leveraging technologies such as signal processing and architecture optimization, these chips ensure efficient and reliable data transfer across various systems.

High-speed interconnect chips are categorized into three primary technical types: memory interconnect chips, PCIe/CXL interconnect chips, and Ethernet & optical interconnect chips. Memory interconnect chips, including memory interface and module supporting chips, enhance the speed and stability of memory data access. PCIe/CXL interconnect chips, such as PCIe Retimers, PCIe Switches, CXL MXC, and CXL Switches, facilitate multi-card connections within servers, memory pooling, and memory expansion in data centers and servers. Ethernet & optical interconnect chips, including Ethernet Retimers/Switches, oDSPs, NICs, and silicon photonics chips, are tailored for long-distance, high-bandwidth interconnection solutions such as cluster networking in data centers.

Key Drivers of the High-Speed Interconnect Chip Market

- **Explosive Data Growth Drives Soaring Demand for Data Interaction:** Global data is growing exponentially, with the generated data volume expected to reach 197.3 Zettabytes (ZB, a unit of one sextillion bytes) in 2025 and surge to 635.3 ZB by 2030, representing a CAGR of 26.3%. The proliferation of massive data has triggered explosive growth in demand for data processing and interaction. As the vital cornerstone for data transmission, high-speed interconnect chips have seen a corresponding surge in potential demand.

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- **Upgraded Transmission Performance Highlights Chip Value:** Standardized communication protocols are evolving continuously, driving persistent improvements in transmission rates. Take the PCIe protocol as an example — each iteration doubles the transmission speed, but this acceleration also exacerbates issues such as signal attenuation and signal integrity. High-speed interconnect chips effectively address these challenges, making their necessity and value in data transmission increasingly prominent.
- **Complex Computing Architectures Drive Chip Demand Expansion:** The launch of ChatGPT in 2022 ignited demand for AI training, while the accelerated deployment of AI applications since 2024 has spurred demand for AI inference. The training and inference of large models are profoundly transforming the architecture of AI servers, shifting from merely increasing the number of servers to adopting a “Strong Scaling” model. This approach constructs high-bandwidth, low-latency computing clusters by enhancing memory bandwidth and increasing network hardware density. This transformation has led to a surge in interconnection demands, including among chips, server chassis, server clusters, and data centers, thereby imposing higher requirements on the quantity and complexity of high-speed interconnect chips.

Global Demand in the Server and PC Markets

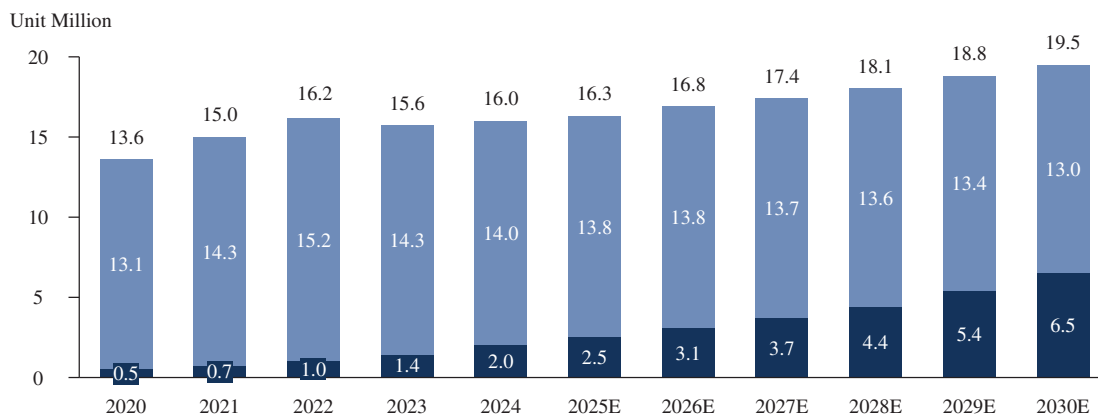
High-speed interconnect chips are primarily used in servers with some applications in personal computers.

The increasing demand for high-speed interconnects in AI servers has become one of the factors supporting the expansion of the high-speed interconnect chip market. Global shipments of AI servers increased from 0.5 million units in 2020 to 2.0 million units in 2024, representing a CAGR of 45.2%. Looking ahead, shipments are projected to grow from 2.5 million units in 2025 to 6.5 million units in 2030, with a CAGR of 21.2%. The growth in AI server demand is associated with computing workloads that require higher bandwidth and more efficient data exchange. Multichip cluster architectures require high-bandwidth, low-latency interconnects to support large-scale data interactions, contributing to the demand for PCIe/CXL interconnect chips as well as Ethernet and optical interconnect chips. Additionally, this trend drives the need for system main memory with larger capacities and higher bandwidths. As AI servers adopt architectures featuring multi-card interconnection and high-speed protocols, the demand for high-speed interconnect chips supporting next-generation standards such as PCIe 6.0 and CXL 3.0 will continue to rise. The demand in the general server market is relatively stable, but also requires high-speed interconnect chips to enhance data-access stability. Although its growth rate is more moderate compared with AI servers, the general server market remains an important pillar for the chip market.

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Global Server Shipments by Server Type (AI & General Server), 2020-2030E

	CAGR	2020-2024	2025-2030E
AI Servers		45.2%	21.2%
General Servers		1.6%	-1.2%
Total		4.2%	3.6%



Source: Frost & Sullivan

Global PC shipments have shown a relatively stable growth trend. In 2024, total shipments reached 258.9 million units. Looking ahead, annual shipments are expected to increase from 262.9 million units in 2025 to 297.7 million units in 2030, representing a CAGR of 2.5%.

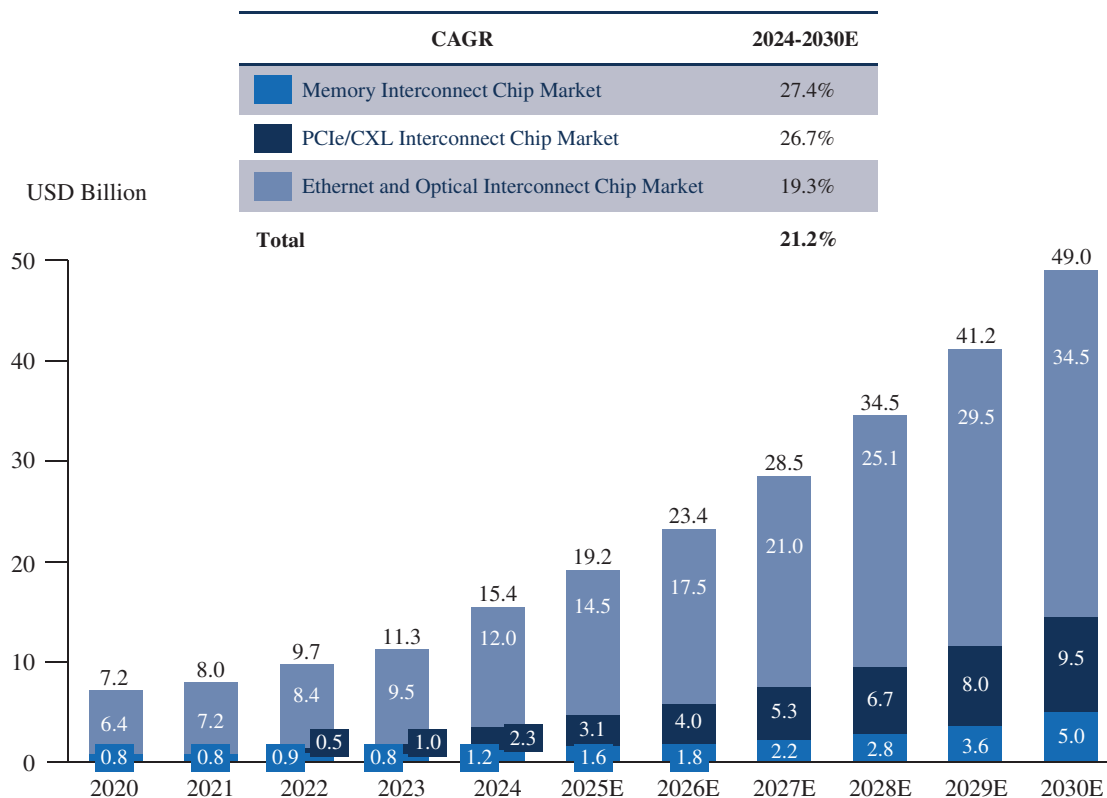
Future Potential of the High-Speed Interconnect Chip Market Driven by AI

In the AI era, particularly with the explosive development of large models, the demand for high-speed interconnects in data centers and servers has grown exponentially, directly driving the expansion of the high-speed interconnect chip market. Moore's Law continues to propel semiconductor advancements, necessitating innovative interconnect products to overcome bandwidth bottlenecks in increasingly heterogeneous computing architectures. Meanwhile, the Scaling Law demonstrates that AI model performance improves with the expansion of model size, training dataset scale, and computational load (FLOPs), which imposes increasingly stringent requirements on data transmission bandwidth and memory access efficiency. The Scaling Law makes high-speed interconnect chips a critical enabling technology for AI computing power expansion. The global market size of high-speed interconnect chips reached USD15.4 billion in 2024 and is projected to further grow to USD49.0 billion by 2030, with a CAGR of 21.2%. Among them, the Chinese market has become one of the fastest-growing segments. In 2024, its market size accounted for approximately 25% of the global total, and it is expected to rise to 30% by 2030. The main reason for this increase in market share is that the demand for AI servers in China is projected to grow faster than the global average in the future.

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From a technical classification perspective, the global memory interconnect chip market is expected to grow from USD1.2 billion in 2024 to USD5.0 billion in 2030, representing a CAGR of 27.4%. The PCIe/CXL interconnect chip market is projected to expand from USD2.3 billion in 2024 to USD9.5 billion in 2030, with a CAGR of 26.7%. Meanwhile, the Ethernet and optical interconnect chip market is forecasted to grow from USD12.0 billion in 2024 to USD34.5 billion in 2030, reflecting a CAGR of 19.3%.

Global High-Speed Interconnect Chip Market Size, 2020-2030E



Source: Frost & Sullivan

Note: PCIe/CXL interconnect chip market emerged in 2022 and reached commercial shipments in 2024.

GLOBAL MEMORY INTERCONNECT CHIP MARKET

Definition and Classification of Memory Interconnect Chips

Memory interconnect chips serve as core components for enabling high-speed memory data transmission and stable access. The traditional product portfolio includes memory interface chips (RCD/DB) and memory module supporting chips (SPD, TS, PMIC). With the development of AI and big data applications and related technological advancements, memory interconnect chips have derived categories adapted to new computing power requirements, including MRCD/MDB chips for server memory and CKD chips for PC memory. From a pricing perspective, different product types exhibit substantial variation, with unit prices ranging from approximately USD0.2 to USD16.0.

- Memory Interface Chips (RCD/DB)

Memory interface chips (Registering Clock Driver/Data Buffer) are the core logic components of server memory modules. They serve as the necessary data pathway between the CPU and memory, with the primary function of enhancing memory data access speed and reliability.

According to functional classification under DDR4 and DDR5 standards, memory interface chips are divided into two types: RCD (Registering Clock Drivers), which buffer address, command, clock, and control signals from the memory controller; and DB (Data Buffers), which buffer data signals from either the memory controller or DRAM chips. Memory modules that only use RCDs are known as RDIMMs (Registered DIMMs), while modules using both RCD and DB are known as LRDIMMs (Load Reduced DIMMs). Under JEDEC standards, each DDR4 or DDR5 server memory module (RDIMM / LRDIMM) includes one RCD chip. DB chip is used in LRDIMM which DDR4 requires nine DB chips and DDR5 requires ten DB chips.

- Supporting Chips for Memory Modules (SPD, TS, PMIC)

According to JEDEC standards, DDR5 memory modules must include, in addition to DRAM chips and interface chips, three types of supporting chips: SPD (Serial Presence Detect), TS (Temperature Sensor), and PMIC (Power Management Integrated Circuit). The SPD (Serial Presence Detect) incorporates an onboard EEPROM (Electrically Erasable Programmable Read-Only Memory), which is used to store information related to the memory module, including configuration parameters of memory chips and associated components on the module. Additionally, the SPD serves as an I²C/I³C bus hub, acting as the communication center between the system's main controller and the components on the memory module. The SPD also integrates a TS to monitor the temperature at its location. The TS is a high-precision temperature sensor chip for DDR5, compliant with JEDEC standards, and supports I²C and I³C serial buses, enabling temperature monitoring of the memory module. The PMIC supplies power to other chips on the memory module and handles power management.

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Under JEDEC standards, each DDR4 and DDR5 server memory module includes one SPD. In addition, each DDR5 RDIMM / LRDIMM / MRDIMM also requires one PMIC and two TSs. Mainstream DDR4 and DDR5 PC memory modules typically include one SPD, whereas DDR5 PC memory modules also require one PMIC. SPD in DDR5 memory module is more complex and has higher value than that in DDR4.

- MRCD/MDB Chips

MRCD and MDB chips are the core logic components of high-bandwidth memory modules known as MRDIMMs (Multiplexer Ranks DIMMs). Each MRDIMM requires one MRCD and ten MDB chips. MDB chips allow simultaneous access to two DRAM ranks (whereas traditional RDIMMs can only access one), effectively doubling the bandwidth at standard data rates. These chips are primarily used in cloud computing and AI applications with stringent memory bandwidth requirements.

- Clock Driver Chips (CKD)

As defined by JEDEC, when DDR5 data rates reach 6,400MT/s and above, PC memory modules are required to integrate CKD (Clock Driver) chips to buffer and re-drive the clock signal. This ensures the integrity and reliability of high-speed clock signals, which are critical for stable operation at such data rates. CKD is used in high-rate transmission PCs, generally a PC memory module needs to be equipped with one CKD. Typically, one PC is equipped with 1 to 2 memory module.

Application and Deployment of Memory Interconnect Chips Across Different Types of Memory Modules

	Memory Module	RCD	DB	SPD	TS	PMIC	MRCD	MDB	CKD
Servers	RDIMM (DDR4)	1	-	1	-	-	-	-	-
	LRDIMM (DDR4)	1	9	1	-	-	-	-	-
	RDIMM (DDR5)	1	-	1	2	1	-	-	-
	LRDIMM (DDR5)	1	10	1	2	1	-	-	-
	MRDIMM (DDR5)	-	-	1	2	1	1	10	-
PCs	UDIMM/SODIMM (DDR4)	-	-	1	-	-	-	-	-
	UDIMM/SODIMM (DDR5)	-	-	1	-	1	-	-	-
	CUDIMM/CSODIMM/CAMM (DDR5)	-	-	1	-	1	-	-	1
	LPCAMM (DDR5)	-	-	1	-	1	-	-	-

Note: (1) UDIMM: Unbuffered Dual In-line Memory Module; (2) CUDIMM: Clocked Unbuffered Dual In-line Memory Module; (3) SODIMM: Small Outline Dual In-line Memory Module; (4) CSODIMM: Clocked Small Outline Dual In-line Memory Module; (5) CAMM: Compression Attached Memory Module; (6) LPCAMM: Low Power Compression Attached Memory Module.

Source: Frost & Sullivan

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The DDR4 lifecycle ran from 2013 to 2025, whereas DDR5 is expected to span from 2021 through 2030. Scale adoption of DDR5 MRDIMM is anticipated to begin around 2025. The generational shift between memory chips and modules is driving the memory interconnect chip market into a phase of rapid growth, propelled by increases in both demand volume and dollar value.

Growth and Future Potential of the Memory Interconnect Chip Market

Memory interconnect chips are primarily used in servers, with some also applied in PCs. The market size is closely linked to the shipment volume of servers and PCs, as well as the types and quantities of memory modules configured per unit.

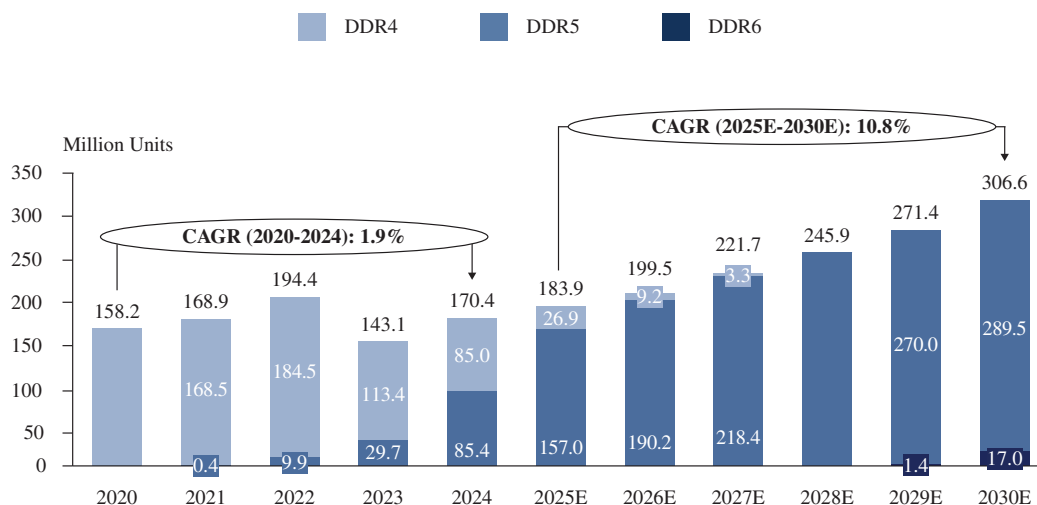
Global Market Demand for Memory Modules

From 2020 to 2024, global memory module shipments increased from 158.2 million units to 170.4 million units, and are expected to reach 306.6 million units by 2030, representing a CAGR of approximately 10.8% from 2025 to 2030, indicating a strong growth trajectory. Structurally, the server memory module market is rapidly transitioning to the DDR5 generation: DDR5 began entering downstream markets in 2021, surpassed 50% penetration by 2024, and is projected to exceed 85% in 2025. Meanwhile, DDR6 memory modules are anticipated to reach commercial adoption around 2029, bringing new growth momentum to the market.

The primary drivers behind the rising demand for server memory modules include the continued growth in global server shipments and the increasing number of memory modules configured per server. The rise of AI servers further accelerates demand. Due to significantly higher memory capacity requirements, typically one general server is equipped with 8 to 12 memory modules while one AI server is equipped with 16 to 24 memory modules. As AI technology is increasingly adopted across industries, the penetration rate of AI servers continues to rise, directly driving memory module demand to grow faster than overall server shipments. This trend is expected to create substantial growth opportunities for the memory interconnect chip market.

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Shipments of Server Memory Module, Breakdown by DRAM Generation, Global, 2020-2030E

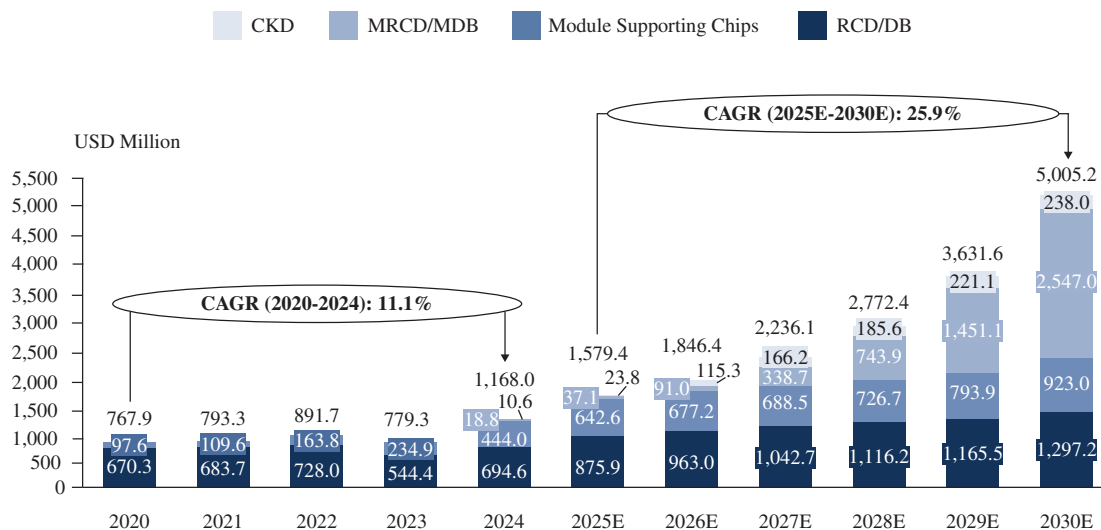


Source: Frost & Sullivan

Market Size of Memory Interconnect Chips

Memory interconnect chips are standard components defined by JEDEC for memory modules. The global market size grew from USD767.9 million in 2020 to USD1,168.0 million in 2024 and is expected to further expand from USD1,579.4 million in 2025 to USD5,005.2 million in 2030, representing a CAGR of 25.9%.

Market Size of Memory Interconnect Chips (by Revenue), Breakdown by Product types, 2020-2030E



Note: In 2024, China accounts for 20% of the global market, and is expected to account for approximately 30% by 2030.

Source: Frost & Sullivan

INDUSTRY OVERVIEW

Key Growth Drivers in the Server Segment

Growth in Memory Module Demand Drives Expansion of the Market

Memory interconnect chips have a well-defined deployment ratio with memory modules, making their demand closely correlated. According to Frost & Sullivan, server memory module demand will grow from 183.9 million units in 2025 to 306.6 million units in 2030. This significant growth directly drives a proportional increase in memory interconnect chip shipments, laying a solid foundation for market expansion.

Product Upgrades Create a New Growth Opportunity

- **DDR5 technological advancements increase chip value:** With higher technical complexity and enhanced performance, DDR5 RCD and SPD chips offer significantly higher unit value than their DDR4 counterparts. Additionally, DDR5 server memory modules require new supporting chips such as TS and PMIC. These upgrades not only boost per-unit pricing but also expand the chip variety, driving growth in the DDR5 era.
- **Emergence of MRDIMM unlocks incremental market potential:** Driven by the rising need for memory bandwidth in AI applications, MRDIMM, known for its superior bandwidth performance, is expected to become the preferred main memory in mainstream AI servers. Commercial adoption will begin in 2025, with a projected penetration rate of 30% in AI servers by 2030 and shipments reaching 53.4 million units, with a CAGR of 148.0% from 2025 to 2030. Compared to the widely applied RDIMM, which requires only one RCD, MRDIMM requires a higher-value MRCD and ten additional MDB chips, significantly boosting the total market value as its penetration rises.
- **Successive generational iterations sustain ASP:** DDR5 RCD chips are expected to roll out in six product generations, while MRCD/MDB chips will have three. These continuous generational upgrades will leverage innovation and performance optimization to sustain average selling prices and profit margins, ensuring long-term stable growth for the memory interconnect chip market.

Key Growth Drivers in the PC Segment

- **Transition from DDR4 to DDR5 Adds New Chip Requirements:** In the PC segment, DDR5 memory modules (including UDIMM, SODIMM, CAMM, and LPCAMM) require a higher-spec, higher-value SPD chip and an additional PMIC, collectively driving up per-unit chip value in the DDR5 era.
- **Enhanced Data Rate Support of DDR5 Further Drives the Expansion of Chip Demand:** The first generation of DDR5 supports speeds of 4,800 MT/s. As data rates reach 6,400 MT/s and beyond, PC memory modules (including CUDIMM, CSODIMM, and CAMM) will require the addition of a CKD chip. This chip is expected to begin penetrating the market from 2025 and achieve near-total coverage in PC memory modules by 2029, opening a new growth avenue in the consumer segment.

Development Trends in the Memory Interconnect Chip Market

- **Explosive Computing Power Drives Demand for Memory Capacity and Bandwidth:** The urgent need for computing power in large model training and inference continues to push for upgrades in memory capacity and bandwidth. Large models represented by GPT, with parameter scales exceeding trillions, have driven significant upgrades in AI server memory deployment — each mainstream AI server typically deploys over 20 DDR5 memory modules, with capacity and quantity far exceeding general servers. Meanwhile, the explosion in computing power has also imposed higher requirements on memory bandwidth: DDR5 first-generation RDIMM supports a speed of 4,800MT/s, the sixth generation is expected to exceed 9,000MT/s, and the second-generation MRDIMM reaches 12,800MT/s. As technology matures and the ecosystem improves, MRDIMM is expected to replace RDIMM as the mainstream solution for AI servers due to its higher bandwidth and comprehensive performance, driving a surge in demand for MRCD/ MDB chips. In the PC sector, DDR5 is accelerating its penetration in high-end terminals such as gaming laptops and AI PCs, with module speeds gradually iterating to 6400 MT/s and above. To ensure signal integrity at high speeds, it is expected that by 2029, almost all PC memory modules will be standard-equipped with CKD chips.
- **Significantly Shortened Technical Iteration Cycle:** The technology of memory interconnect chips is rapidly evolving along the path of “protocol upgrades — transmission rate enhancements — increasing chip functional complexity.” Core competitive advantages are shifting toward high-speed signal processing and low-power design, driving continuous growth in the value of memory interconnect chips. In the server domain, DDR4 experienced only four sub-generations, each with an iteration cycle of approximately 18 to 24 months. In contrast, DDR5 is expected to have six sub-generations. As of 2024, shipments of the second-generation DDR5 products have already surpassed those of the first generation, and the third-generation is projected to ramp up rapidly in 2025. Currently, the iteration cycle per sub-generation has gradually shortened to 12-18 months, marking a significantly faster pace of technological advancement compared to the DDR4 era.
- **Continuous Enhancement of Market Concentration:** From the historical development of the memory interconnect chip market, leading industry players have established comprehensive memory interconnect solutions by leveraging extensive product portfolios, deep technical expertise, and well-developed patent strategies. These companies play a leading role in standards development and technological innovation, holding significant competitive advantages. As a result, market share is gradually concentrating among a few top-tier companies. Looking ahead, these leading enterprises are expected to further strengthen their market competitiveness and expand their market share by capitalizing on their existing advantages — such as investing proactively in next-generation technology R&D and optimizing supply chain management. This will drive more efficient integration and rational allocation of resources across the industry.

Entry Barriers and Key Success Factors in the Memory Interconnect Chip Market

- **Technological Accumulation Creates High Industry Barriers:** Memory interconnect chips fall under the category of high-speed, nonlinear analog and mixed-signal circuits, making their R&D extremely complex. Success in this field requires not only profound technical expertise but also long-term accumulation of intellectual property and design experience. Products in this domain adhere to JEDEC industry standards. To establish a competitive edge, companies must actively participate in or even lead the development of these standards, which involves close collaboration and technical exchanges with major CPU, memory, server, and cloud computing vendors, all while advancing product R&D in tandem. This closed-loop system of “standards — technology — industry chain” creates significant barriers for new entrants, as they must not only overcome technical challenges but also deeply understand industry standards and rapidly introduce competitive next-generation products in line with standard updates.
- **Ecosystem Collaboration Builds Competitive Moats:** Memory interconnect chips are primarily used in servers, where product reliability requirements are stringent, leading to high commercial entry barriers. A company’s core competitiveness largely stems from the collaborative barriers formed through partnerships with leading ecosystem players. To maintain their advantage, industry leaders must meet two key criteria: (i) continuously securing certifications from industry giants across multiple industry chain links (including memory and CPU manufacturers) for new product generations; and (ii) maintaining a long track record of stable, high-quality product deliveries. Once established, these deep partnerships enable leading companies to form a stable ecosystem closed-loop with industry chain partners in standard-setting and collaborative development, reinforcing their market position.

GLOBAL PCIe/CXL INTERCONNECT CHIP MARKET

PCIe Interconnect Chip Market Overview and Market Size

Definition and Classification of PCIe Interconnect Chips

PCIe interconnect chips serve as core components for high-speed data interconnection in data centers and servers, adhering to the PCI-SIG standard system. Their main products are categorized into two major types:

- PCIe Retimer chips are ultra-high-speed signal conditioning devices designed for the PCIe protocol. They primarily address issues such as timing skew, severe signal loss, and poor signal integrity in high-speed, long-distance data transmission scenarios. These chips play a critical role in interconnections between the CPU and high-speed peripherals such as GPUs, AI accelerators, SSDs, and NICs. From a pricing perspective, different product types show significant variation. The average industry ASP in 2024 was ranged from approximately USD25.0 to USD50.0 per chip.

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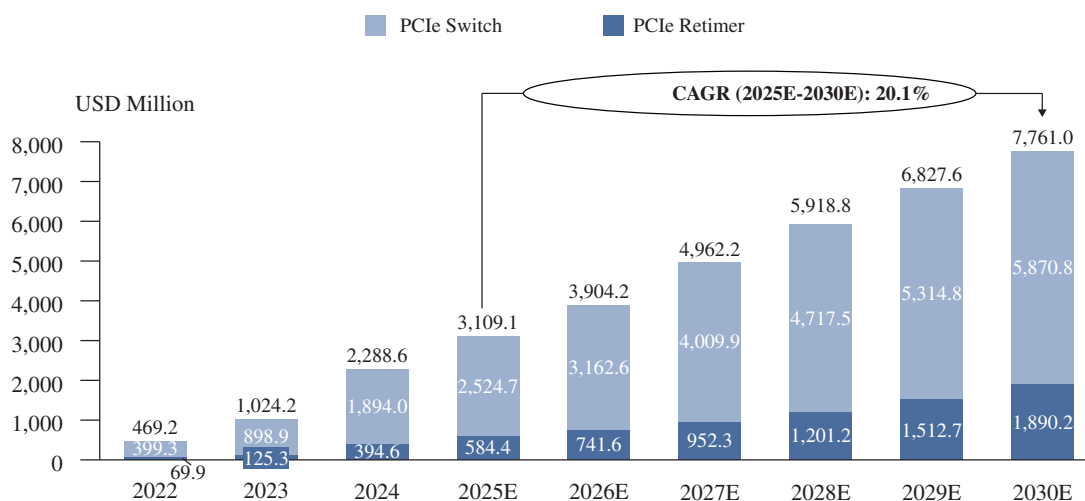
- PCIe Switch chips are used to expand PCIe lane availability, enabling high-speed data switching between CPUs and peripheral devices (e.g., NICs, SSDs, GPUs) through an internal switching architecture, thereby supporting high-density PCIe interconnections for a larger number of devices. From a pricing perspective, different product types exhibit substantial variation, with chip prices largely determined by the number of supported lanes. The industry's average ASP in 2024 ranged from approximately USD600.0 to USD1,200.0 per chip.

In recent years, the iteration of PCIe protocol technology has accelerated: upgraded from PCIe 5.0 (32GT/s) to PCIe 6.0 (64GT/s), the transmission rate has doubled, and the newly released PCIe 7.0 specification further increases the single-channel rate to 128GT/s. In terms of downstream applications, chips and devices supporting the PCIe 5.0 protocol are becoming the market mainstream. In the future, the technology will continue to evolve towards higher speed, lower latency and low power consumption to meet the high-speed interconnection requirements of emerging scenarios such as AI servers.

Market Size of PCIe Interconnect Chips

The global PCIe interconnect chip market experienced rapid expansion, growing from USD469.2 million in 2022 to USD2,288.6 million in 2024, and it is expected to enter a phase of explosive growth, with the market size projected to reach USD7,761.0 million in 2030, with a CAGR of 20.1% from 2025 to 2030.

Market Size of PCIe Interconnect Chips (by Revenue), Breakdown by Product Types, Global, 2022-2030E



Note: In 2024, China accounts for more than 25% of the global market, and is expected to account for more than 30% by 2030.

Source: Frost & Sullivan

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Key Growth Drivers for the PCIe Interconnect Chip Market

- **Surging AI server shipments drive volume expansion in chip demand:** In AI server architectures, the increasing number of GPUs/AI chips and the rapid expansion of AI model sizes are significantly driving system bandwidth and high-speed interconnect requirements. PCIe interconnect chips have become essential components for high-speed interconnection between devices. PCIe Switches provide expansion and aggregation capabilities, allowing more devices to connect to a single PCIe port. PCIe Retimers help maintain signal integrity and system stability by extending the effective transmission distance for high-speed signals. For example, a mainstream 8-GPU AI server typically requires 2 to 4 PCIe Switches for topology expansion and 8 to 16 Retimers to extend connections between CPUs and peripherals. As such, PCIe interconnect chips have become indispensable to AI server infrastructure, with their demand directly correlated to AI server shipment volumes.
- **Continuous PCIe protocol evolution expands application boundaries:** PCIe 5.0 is becoming the mainstream standard and will continue evolving toward PCIe 6.0 and PCIe 7.0, with each iteration doubling the data transfer rate. This evolution drives two major growth dynamics: First, higher data rates introduce more complex signal integrity challenges, expanding the application of PCIe Retimers from CPU and GPU/AI accelerator/SSD/NIC connections to include active electrical cables (AEC), edge computing devices, smart vehicles, and other connection-intensive scenarios. Second, protocol upgrades promote more sophisticated server cluster topologies. PCIe Switches are increasingly needed for bandwidth optimization and topology expansion across multiple devices, especially in AI inference workloads and high-density data center deployments, further elevating their strategic importance.

CXL Interconnect Chip Market Overview and Market Size

Definition and Classification of the CXL Interconnect Chip Market

CXL interconnect chips are core high-speed interconnection devices built based on the CXL protocol. Their physical layer follows the PCIe standard, enabling high-speed and low-latency data interaction among CPUs, GPUs, and memory. They are primarily applied in memory expansion and memory pooling scenarios, with main products categorized into two types. From a pricing perspective, as CXL adoption and ecosystem development are still at an early stage and products have not yet reached large-scale commercial shipment, pricing has not formed a mature structure. Existing products generally range from approximately US\$100 to over US\$1,000 per chip, depending on specifications and functionality.

- **CXL MXC Chips:** Serving as the high-speed connection hub between processors and CXL memory modules, they undertake protocol conversion, memory access scheduling, and cache coherence managements. As key controllers for building memory expansion and memory pooling architectures, they ensure seamless data management across hardware nodes.

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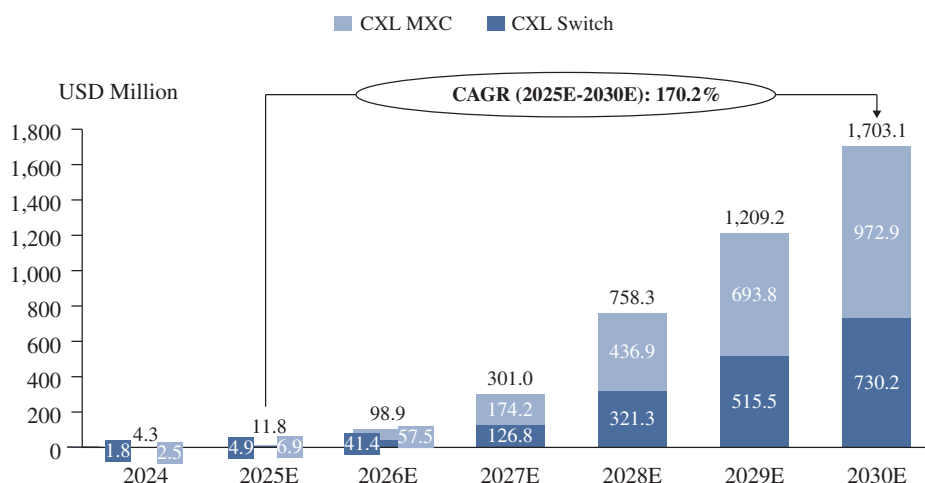
- **CXL Switch Chips:** It enables interconnection and resource management among multiple CXL hosts and devices, supporting the connection of one or multiple CPUs to multiple CXL memory or accelerator devices. This enhances system scalability and resource utilization efficiency, serving as a core enabling component for large-scale memory pooling architectures.

These two categories work in tandem to form CXL interconnection solutions, which will play a pivotal role in next-generation data center architectures.

Market Size of CXL Interconnect Chips

In 2024, the CXL interconnect chip market is still in the early stage of commercialization, with a market size of approximately USD4.3 million. It is projected to grow significantly, reaching USD1,703.1 million by 2030, representing a remarkable CAGR of 170.2% from 2025 to 2030.

**Market Size of CXL Interconnect Chips, Global,
Breakdown by Product Types, Global, 2024-2030E**



Note: In 2024, China accounts for more than 25% of the global market share, and is projected to account for more than 30% by 2030.

Source: Frost & Sullivan

Key Growth Drivers for the CXL Interconnect Chip Market

- **Continued penetration of the CXL protocol in the AI servers drive chip demand:** In AI servers, CXL protocol enables efficient collaboration between accelerators such as GPUs and FPGAs (field-programmable gate arrays) and the main processor, significantly enhancing the speed of AI model training and inference. It achieves low-latency, high-speed data transmission and provides expanded memory capacity and flexible

resource allocation through memory expansion and sharing mechanisms, helping to overcome bandwidth bottlenecks. As the critical hardware enabler for CXL deployment, CXL interconnect chips are directly linked to AI server growth and will play an increasingly important role in the AI servers.

- **System Architecture Restructuring and Rising Connectivity Complexity in AI Servers Expand Application Scenarios:** The development of AIGC is accelerating the evolution of data centers toward massive multi-card clusters, leading to exponential increases in interconnect complexity from chip to data center levels. Traditional interconnect solutions are no longer sufficient to meet the growing demands for terabyte-level bandwidth and sub-microsecond latency. CXL enables architectural upgrades through memory pooling and high-speed interconnect: CXL MXC chips are deeply applied in memory expansion and memory pooling, significantly increasing memory capacity and bandwidth to meet the needs of data-intensive applications such as cloud computing and AI. Meanwhile, CXL Switch chips are gradually being adopted in server platforms, supporting memory and resource sharing across multiple nodes to optimize server cluster topology and resource utilization. At present, leading global internet companies are actively exploring the deployment of CXL memory resource pools in their next-generation server clusters. A single memory pool typically requires 16 to 32 CXL MXC chips and 2 to 4 CXL Switch chips. As CXL memory pooling becomes more widely adopted in servers, the CXL interconnect chip market is expected to enter a phase of explosive growth. CXL technology enables memory pooling and capacity expansion, significantly enhancing the computational efficiency of GPU clusters while reducing the total cost of ownership (TCO).

Entry Barriers and Key Success Factors of PCIe/CXL Interconnect Chips

- **Protocol-Driven Technical Iteration and Innovation Capability:** The core competitiveness of PCIe/CXL interconnect chips is rooted in rapid response to protocol standard evolution and underlying technical breakthroughs. Enterprises need to keep pace with the accelerating protocol iterations — from PCIe 5.0 to 6.0 and even 7.0, and from CXL 1.0 to 3.x — by continuously investing in R&D to overcome key technological challenges such as signal processing and coding algorithms. As the PCIe protocol upgrades, optimization of high-speed SerDes serial interface technology is essential to solve issues such as signal attenuation and timing jitter in high-frequency transmission, ensuring chip compatibility and stability. Meanwhile, CXL technology is evolving toward bandwidth doubling, latency optimization, and function expansion — supporting memory pooling and point-to-point direct connection, while potentially combining with optical interconnection to break through TB-level bandwidth and sub-50ns latency bottlenecks in the future. At the underlying level, SerDes, as the “nerve center” of high-speed serial transmission, determines the stability and latency performance of interconnect chips through speed enhancement (e.g., 64GT/s required for PCIe 6.0) and signal integrity optimization. DDR controller technology, meanwhile, influences memory access efficiency and serves as a key technical node for supporting CXL memory pooling.

- **Deep Demand Insight and Ecosystem Collaboration Capability:** Another core success factor for PCIe/CXL interconnect chips lies in deep understanding of downstream customer needs and tight maintenance of ecosystem relationships. With explosive growth in high-speed interconnection demands from downstream scenarios like AI servers and data centers, enterprises must precisely grasp customers' core requirements — including protocol iteration needs (e.g., PCIe 6.0, CXL 3.0), performance indicators (low latency, high bandwidth), and cost control — responding rapidly through targeted technical pre-research. Meanwhile, establishing long-term strategic partnerships with server and cloud computing vendors to deeply participate in hardware architecture design and standard setting forms a closed-loop of “demand feedback — technical iteration — ecosystem adaptation.” This model of “demand-driven innovation + collaborative ecosystem progress” not only enhances product competitiveness but also builds insurmountable market barriers, serving as a key foundation for enterprises in the PCIe/CXL market.

GLOBAL ETHERNET AND OPTICAL INTERCONNECT CHIP MARKET

Ethernet Interconnect Chips

Ethernet interconnect chips are core hardware components in data centers, cloud computing, and AI infrastructure. They enable high-speed data exchange and low-latency communication between devices. These chips are mainly classified into three categories: (i) Ethernet Switches, which handle packet forwarding and traffic management and serve as the backbone of data center networks; (ii) NICs, which are deployed on servers as the key interface for connecting the host to the Ethernet and enabling data transmission; and (iii) Ethernet Retimers, which address timing distortion and signal attenuation in long-distance high-speed signal transmission, ensuring data integrity and system stability, particularly critical for AI servers and cloud computing nodes.

The global Ethernet interconnect chip market grew from USD6.0 billion in 2020 to USD9.4 billion in 2024, with a CAGR of 11.6%, primarily driven by the expansion of cloud computing and digital infrastructure. In future, the accelerated deployment of large AI models, AI servers, hyperscale data centers, and high-bandwidth storage systems is generating surging demand for high-speed, low-latency networking. As 400G and 800G Ethernet solutions become mainstream and the market moves toward 1.6T, both the demand and value of Ethernet interconnect chips are expected to increase significantly. The global market is projected to reach USD24.7 billion by 2030, with a CAGR of 17.9% from 2025 to 2030.

Optical Interconnect Chips

Optical interconnect chips are essential components that enable high-speed data transmission through optoelectronic conversion, serving as a core technology for next-generation high-bandwidth, power-efficient interconnects in data centers and AI infrastructure. These chips are generally classified into three categories:

- oDSPs, responsible for high-speed signal modulation/demodulation, waveform shaping, and DSP error correction, indispensable for advanced modulation formats such as 400G and 800G;
- Drivers and TIAs, where Drivers convert electrical signals into high-frequency analog signals to drive optical transmitters, and TIAs amplify weak current signals from photodiodes into voltage signals, enabling high-speed, high-sensitivity reception;
- Silicon photonic chips, which enable compact, high-speed optical interconnects by integrating photonic and electronic components on silicon, addressing bandwidth and power challenges in advanced computing systems.

The global optical interconnect chip market surged from USD0.4 billion in 2020 to USD2.6 billion in 2024, representing a CAGR of 57%. This growth was primarily driven by the large-scale deployment of 400G/800G optical modules in AI data centers. In future, as the number of AI chips in large AI training clusters continues to grow and the demand for bandwidth density and energy efficiency between nodes accelerates, optical interconnects will become a critical part of advanced system architectures. The global market is expected to reach USD9.9 billion by 2030, with a CAGR of 21.5% from 2025 to 2030.

COMPETITIVE LANDSCAPE OF GLOBAL HIGH-SPEED INTERCONNECT CHIP MARKET

Overview of Market Competitive Landscape

The global high-speed interconnect chip market is entering a phase of rapid growth, driven by the expansion of AI infrastructure and the evolution of server architectures. The market currently features multiple parallel technological paths.

Memory interconnect chip market: As the industry transitions from DDR4 to DDR5, the competitive landscape has remained stable with the Company, Renesas and Rambus being the three dominant players, who together account for over 90% of the market share. These companies have established strong technical barriers based on years of R&D, deep understanding of industry standards, and extensive experience in product design and commercialization. In addition, they have built long-term and robust relationships with customers and ecosystem partners. Strict product qualification processes also impose high commercial entry barriers for new entrants. As a result, leading players have formed a dual competitive moat of “technical barrier and customer lock-in.”

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PCIe/CXL interconnect chip market: The PCIe interconnect chip market is relatively mature and demonstrates a high level of concentration, with the top five companies collectively holding over 90% of the market share. In 2024, the top two vendors in the PCIe Retimer segment alone captured 96.9% of market share, while the PCIe Switch segment is primarily dominated by a single vendor. These leading companies possess advanced high-speed SerDes design capabilities and extensive experience in PCIe protocol iteration and commercialization – some have already mass-produced PCIe 5.0 products and begun sampling PCIe 6.0 chips. Their ability to support complex system-level interconnect topology further reinforces their market competitiveness. Meanwhile, CXL interconnect technology remains an emerging field. Although adoption and ecosystem development are gradually progressing, chips based on CXL have yet to reach mass production, and the market is still in its early stage.

Ethernet and optical interconnect chip market: A few global giants dominate the Ethernet and optical interconnect chip segments, leveraging their technological leadership and early-mover advantages to secure major market shares.

Ranking and Market Share

The Company currently derives its primary revenue from memory interconnect chips and PCIe Retimers.

Memory Interconnect Chips

In 2024, the market remained highly concentrated, with the top three companies collectively accounting for 93.4% of the total market share. Among them, the Company ranked first with revenue of USD0.43 billion, representing a 36.8% market share.

Ranking of Memory Interconnect Chip Companies, Global, 2024

Ranking	Company	Revenue	Market Share
		(in billions of USD)	(%)
1.	The Company	0.43	36.8
2.	Company A	0.42	36.0
3.	Company B	0.24	20.5
	Others	0.08	6.6
Total		<u>1.17</u>	<u>100.0</u>

Notes:

- (1) Company A is a listed company, founded in 2002 and headquartered in Tokyo, Japan. It specializes in embedded semiconductor solutions, including MCU, SoC, and analog chips, etc., primarily for automotive electronics, industrial automation, and consumer electronics.
- (2) Company B is a listed company, founded in 1990 and headquartered in California, USA. It specializes in high-speed memory and chip-to-chip interconnect technologies, focusing on IP licensing and interconnect solutions for computing and storage.

Source: Frost & Sullivan

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PCIe Interconnect Chips

PCIe Retimer

This sector also exhibited a similarly high level of market concentration in 2024. We ranked the second globally among PCIe Retimer providers in terms of market share in 2024. As a new entrant to this market, the company achieved rapid shipment growth in 2024 through continuous product development and iteration, generating revenue of USD0.04 billion and securing a 10.9% market share, ranking second.

Ranking of PCIe Retimer Companies, Global, 2024

Ranking	Company	Revenue	Market Share
		<i>(in billions of USD)</i>	<i>(%)</i>
1.	Company C	0.34	86.0
2.	The Company	0.04	10.9
	Others	0.01	3.1
Total		<u>0.39</u>	<u>100.0</u>

Note:

- (1) Company C is a listed company, founded in 2017 and headquartered in California, USA. It specializes in data center connectivity semiconductors, including PCIe/CXL Switches/Retimers, smart cables, etc., targeting AI servers, cloud infrastructure, and high-performance computing.

Source: Frost & Sullivan

PCIe Switch

The PCIe Switch market is highly concentrated, with a single global vendor accounting for over 90% of market share. The core barrier lies in the complexity of high-speed SerDes and switching-fabric design, which has historically limited players' participation. Leveraging its independently developed SerDes IP, the engineering know-how and similar market resources accumulated from PCIe Retimer development, the Company is among the few enterprises capable of developing advanced PCIe Switch products, and is currently in the progress of developing such products.

CXL Interconnect Chips

CXL interconnect chips are designed based on the emerging CXL high-speed interconnect protocol. As CXL adoption and ecosystem development are still in an early stage, large-scale commercial deployment has yet to materialize. Consequently, the market remains nascent, and an objective, complete competitive landscape has not yet taken shape. As industry standards mature and application scenarios expand, enterprises represented by the Company that have already established early technical capabilities and product reserves in CXL interconnect chips are expected to gain competitiveness as the market develops.

INDUSTRY OVERVIEW

OVERVIEW OF OTHER MARKETS

Global Clock Chip Market Overview and Future Outlook

As a fundamental component in system-level chips, clock chips play a crucial role in generating, distributing, and managing clock signals within electronic systems to ensure synchronized data transmission and processing across modules. Based on functionality, clock chips are mainly categorized into clock generators, clock buffers and jitter attenuators. They are widely used in applications such as communication infrastructure, data centers, industrial automation, automotive electronics, and consumer electronics.

The global clock chip market has entered a stage of steady growth. The market size expanded from USD1.7 billion in 2020 to USD2.2 billion in 2024, with a CAGR of 5.7% during the period. In future, as demand continues to rise for high-precision timing solutions in AI servers, high-speed communications, autonomous driving, and industrial edge computing, the value contribution of clock chips within system architectures is expected to increase steadily. In 2030, the global clock chip market is projected to grow to USD3.0 billion, with a CAGR of 5.3% from 2025 to 2030.

China's Server CPU Market Overview and Future Outlook

In recent years, driven by China's digital economy transformation and the rapid growth in computing power demand, China's server CPU market has shown a steady upward trend. The market size increased from USD7.7 billion in 2020 to USD10.8 billion in 2024, with a CAGR of 8.7% during this period. In future, the market is expected to maintain strong growth momentum. On one hand, the surging shipments of AI servers will drive sustained expansion in overall server demand, significantly boosting the need for server CPUs. On the other hand, the number of GPUs installed per server is also gradually increasing in line with rising server performance. As a result, China's server CPU market is expected to reach USD15.4 billion by 2030, with a projected CAGR of 6.6% from 2025 to 2030.

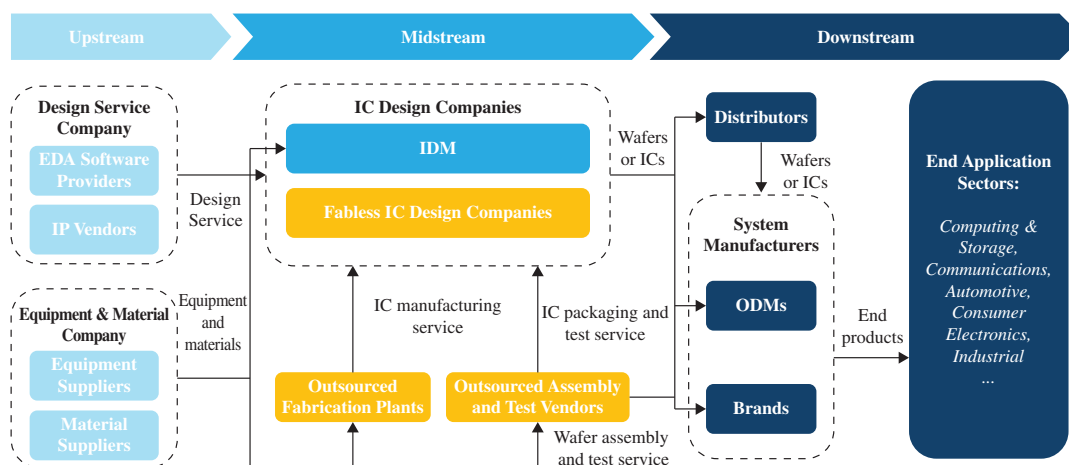
INDUSTRY CHAIN ANALYSIS

The Company is a fabless IC design enterprise located in the midstream of the industrial chain. Its upstream partners include service and solution providers offering supporting technologies and tools; midstream partners include wafer foundries and packaging & testing enterprises; while the downstream consists of end customers, distributors, and system manufacturers.

INDUSTRY OVERVIEW

From the perspective of the entire semiconductor industry chain: Upstream market participants include EDA software providers, IP vendors, as well as equipment and material suppliers. Midstream enterprises cover the core industry links. Integrated circuit design companies adopt diverse operation models, either the IDM model (encompassing design, wafer manufacturing, packaging, testing, and finished product sales) or the fabless model (focusing solely on design and outsourcing manufacturing processes). Downstream terminal application fields include computing & storage, communications, automotive, consumer electronics, industrial sectors, etc.

Semiconductor Industry Chain



Source: Frost & Sullivan

Source of Information

We commissioned Frost & Sullivan to conduct market research on global and China's interconnected chip industry and prepare the Frost & Sullivan Report. Frost & Sullivan is an independent global consulting firm founded in 1961 in New York that offers industry research and market strategies. We have contracted to pay RMB480,000 to Frost & Sullivan for compiling the Frost & Sullivan Report.

In preparing the Frost & Sullivan Report, Frost & Sullivan conducted detailed primary research which involved discussing the status of the industry with certain leading industry participants and conducting interviews with relevant parties. Frost & Sullivan also conducted secondary research which involved reviewing company reports, independent research reports and data based on its own research database. Frost & Sullivan obtained the figures for the estimated total market size from historical data analysis plotted against macroeconomic data and considered the key industry drivers. Its market engineering forecasting methodology integrates several forecasting techniques with the market engineering measurement-based system and relies on the expertise of the analyst team in integrating critical market elements investigated during the research phase of the project. These elements primarily include forecasting methodology based on expert opinions, integration of market drivers and restraints, market challenges, market engineering measurement trends and econometric variables.

REGULATORY ENVIRONMENT IN THE PRC

Policies on the IC Industry

In June 2014, the State Council promulgated the National Guideline for Promoting the Development of the Integrated Circuit Industry. It stated that the development goal of the integrated circuit industry is to reach internationally advanced levels in the main links of the integrated circuit industrial chain by 2030, with a number of enterprises entering the international first tier and achieving leapfrog development. The main tasks and development priorities are to focus on developing the integrated circuit design industry. By centering on the industrial chains in key areas, it aims to strengthen collaborative innovation in integrated circuit design, software development, system integration, content and services, driving the development of the manufacturing industry through the rapid growth of the design industry.

In July 2020, the State Council announced the Several Policies for Promoting High-quality Development of the Integrated Circuit Industry and the Software Industry in the New Era. IC design, equipment, material, packaging and testing enterprises and software enterprises encouraged by the State shall be exempted from enterprise income tax from the first to the second year from the profit-making year, and shall be subject to enterprise income tax at a reduced rate of half of the statutory tax rate of 25% from the third to the fifth year. The State strongly supports qualified IC enterprises and software enterprises to go public and raise capital both domestically and abroad. Focus on key core technology R&D of high-end chips, IC equipment and process technology, IC key materials, IC design tools, basic software, industrial software, and application software. The State encourage enterprises to register for exclusive rights to IC layout designs and software copyrights. Support IC enterprises and software enterprises to apply for intellectual property rights in accordance with the law, and provide relevant support to those that meet the relevant regulations. Strengthening the protection of exclusive rights to layout designs of IC and software copyrights in the network environment, actively developing and applying network copyright protection technologies for genuine software, and effectively protecting intellectual property rights of IC and software.

Regulations Related to Foreign Investment in the PRC

According to the Company Law of the People's Republic of China (effective from July 1, 2024, the "Company Law"), promulgated by the Standing Committee of the National People's Congress (the "NPC Standing Committee") on December 29, 1993, and revised on December 29, 2023, limited liability companies and joint-stock limited companies established within the territory of China are subject to the Company Law. Unless otherwise specified by the law on foreign investment, foreign-invested enterprises are also governed by the Company Law.

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According to the Foreign Investment Law of the People's Republic of China (effective from January 1, 2020, the "Foreign Investment Law"), promulgated by the NPC on March 15, 2019, foreign investment refers to investment activities carried out directly or indirectly within the territory of China by foreign natural persons, enterprises, or other organizations (the foreign investors), including the following situations: (1) a foreign investor establishing foreign-invested enterprises in China individually or jointly with other investor; (2) a foreign investor acquiring shares, equity interests, property shares, or other similar rights and interests in enterprises within the territory of China; (3) a foreign investor investing in and establishing new projects in China individually or jointly with other investor; and (4) other forms of investment as stipulated by laws, administrative regulations, or the State Council. The Foreign Investment Law further implements the pre-establishment national treatment plus negative list management system for foreign investment. Pre-establishment national treatment means granting foreign investors and their investments no less favorable treatment than that granted to domestic investors and their investments at the investment admission stage. The negative list refers to the special access management measures imposed by the state on foreign investment in specific fields. The Foreign Investment Law grants national treatment to foreign investment outside the negative list. The negative list is promulgated or approved for promulgation by the State Council.

According to the Regulations for the Implementation of the Foreign Investment Law of the People's Republic of China (effective from January 1, 2020), promulgated by the State Council on December 26, 2019, the state encourages and promotes foreign investment, protects the legitimate rights and interests of foreign investors, regulates the management of foreign investment, continuously optimizes the foreign investment environment, and promotes a higher level of opening up.

According to the Special Administrative Measures (Negative List) for the Access of Foreign Investment (2024 Edition) (effective from November 1, 2024), jointly revised and issued by the National Development and Reform Commission of the People's Republic of China (the "NDRC") and the MOFCOM on September 6, 2024, which replaces the previous negative list, domestic enterprises engaged in businesses prohibited by the Special Administrative Measures (Negative List) for the Access of Foreign Investment (2024 Edition) that intend to issue shares and list on overseas stock exchanges shall obtain the approval of relevant national competent authorities. Overseas investors shall not participate in the enterprise's operation and management, and their shareholding ratios shall be implemented in accordance with the relevant provisions on the management of overseas investors' securities investments within the territory of China.

According to the Measures for the Security Review of Foreign Investment (effective from January 18, 2021), promulgated by the NDRC and the MOFCOM on December 19, 2020, foreign investors or relevant parties in China must submit a security review application to the office of the working mechanism before making the following investments: (i) investing in fields related to national defense security, such as military industry and military industry support, as well as investing in areas surrounding military facilities and military industry

REGULATORY OVERVIEW

facilities; and (ii) investing in important agricultural products, important energy and resources, major equipment manufacturing, important infrastructure, important transportation services, important cultural products and services, important information technology and internet products and services, important financial services, key technologies, and other important fields that involve national security, and acquiring control over the target enterprise.

Regulations on Intellectual Property

Patents

According to the Patent Law of the People's Republic of China (effective from June 1, 2021), promulgated by the NPC Standing Committee on March 12, 1984, and revised on October 17, 2020; the Detailed Regulations on the Implementation of the Patent Law of the People's Republic of China (effective from January 20, 2024), promulgated by the State Council on June 15, 2001, and revised on December 11, 2023; and the Announcement of the National Intellectual Property Administration on the Implementation of the Relevant Review Business Handling Transitional Measures after the Revision of the Patent Law and Its Detailed Regulations on Implementation (effective from January 20, 2024), promulgated by the National Intellectual Property Administration on December 21, 2023, the duration of an invention patent is 20 years, while the duration of a utility model patent and a design patent with an application date before May 31, 2021, is 10 years. The duration of a design patent with an application date on or after June 1, 2021, is 15 years. All patent durations are calculated from the application date.

Trademarks

According to the Trademark Law of the People's Republic of China (effective from November 1, 2019), promulgated by the NPC Standing Committee on August 23, 1982, and revised on April 23, 2019, the validity period of a registered trademark is 10 years, calculated from the date of approval for registration. If the trademark registrant needs to continue using the registered trademark after the expiration of its validity period, they shall go through the renewal procedures in accordance with regulations within twelve months before the expiration. If the renewal procedures cannot be filed during this period, a six-month grace period may be granted. The validity period of each renewed registration is 10 years, calculated from the day following the expiration of the previous validity period of the trademark. If the renewal procedures are not filed upon expiration, the registered trademark shall be canceled. For acts that infringe upon the exclusive right to use a registered trademark, the administrative department for industry and commerce has the authority to investigate and handle them in accordance with the law. If a crime is suspected, the case shall be promptly transferred to the judicial organs for handling in accordance with the law.

Copyrights

According to the Copyright Law of the People's Republic of China (effective from June 1, 2021), promulgated by the NPC Standing Committee on September 7, 1990, and revised on November 11, 2020, and the Detailed Regulations on the Implementation of the Copyright Law of the People's Republic of China (effective from March 1, 2013), promulgated by the State Council on August 2, 2002, and revised on January 30, 2013, copyright owners enjoy various personal rights and property rights, including the right of publication, the right of authorship, the right of reproduction, and the right of information network dissemination. The period of protection for the right of publication of the works of a legal person or an unincorporated organization, and the copyright (except for the right of authorship) of a work of office enjoyed by a legal person or an unincorporated organization shall be fifty years, ending on December 31st of the fiftieth year after the completion of the creation of the work, and the rights of reproduction, distribution, rental, exhibition, performance, projection, broadcasting, information network transmission, cinematographic rights, the rights of adaptation, translation, compilation, and other rights which shall be enjoyed by the copyright owner shall be fifty years, ending on December 31st of the fiftieth year after the work is first published, but the work shall no longer be protected if it has not been published within fifty years since its creation.

According to the Regulations on the Protection of Computer Software (effective from March 1, 2013), promulgated by the State Council on June 4, 1991, and revised on January 30, 2013, and the Measures for the Registration of Computer Software Copyrights (effective from July 1, 2004), promulgated by the National Copyright Administration on April 6, 1992, and revised on June 18, 2004, Chinese citizens, legal persons, or other organizations shall enjoy copyrights for the software they develop, regardless of whether it has been published. Software copyright owners may apply for registration with software registration institutions recognized by the copyright administrative department of the State Council. The registration certificate issued by the software registration institution serves as a preliminary proof of the registered matters. The National Copyright Administration is in charge of the administration of software copyright registration nationwide and designates the Copyright Protection Center of China as the software registration institution.

Layout Designs of Integrated Circuits

According to the Regulations on the Protection of Layout Designs of Integrated Circuits (the "Protection Regulations"), promulgated by the State Council on April 2, 2001, and effective from October 1, 2001, Chinese natural persons, legal persons or other organizations that create layout designs shall enjoy the exclusive right to the layout design in accordance with the Protection Regulations. The exclusive right to the layout design arises from registration with the intellectual property administrative department of the State Council. Layout designs that have not been registered are not protected by the Protection Regulations. The protection period for the exclusive right to the layout design is 10 years, calculated from

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the date of application for registration of the layout design or from the date of its first commercial exploitation anywhere in the world, whichever is earlier. However, regardless of whether it has been registered or commercially exploited, a layout design shall no longer be protected by the Protection Regulations 15 years after its creation.

Domain Names

According to the Measures for the Administration of Internet Domain Names (effective from November 1, 2017), promulgated by the Ministry of Industry and Information Technology of the People's Republic of China (the "MIIT") on August 24, 2017, entities that establish domain name root servers and domain name root server operating institutions, domain name registration management institutions, and domain name registration service institutions within the territory of China shall obtain permits from the MIIT or the communications administrative departments of provinces, autonomous regions, and municipalities directly under the central government in accordance with these measures. The first-come principle is implemented for domain name registration services.

Regulations on Trade Secrets

According to the Anti-Unfair Competition Law of the People's Republic of China (effective from October 15, 2025), promulgated by the NPC Standing Committee on September 2, 1993, and revised on June 27, 2025, trade secrets refer to technical information, business information, and other commercial information that is not known to the public, has commercial value, and has been subject to confidentiality measures by the rights holder. Operators shall not engage in the following acts that infringe upon trade secrets: (1) Acquiring the rights holder's trade secrets by theft, bribery, fraud, coercion, electronic intrusion, or other improper means; (2) Disclosing, using, or allowing others to use the rights holder's trade secrets acquired by the means mentioned in the preceding item; (3) Disclosing, using, or allowing others to use the trade secrets in their possession in violation of confidentiality obligations or in violation of the rights holder's requirements for keeping trade secrets confidential; (4) Instigating, inducing, or assisting others to violate confidentiality obligations or violate the rights holder's requirements for keeping trade secrets confidential in order to acquire, disclose, use, or allow others to use the rights holder's trade secrets. A third party who knows or should know of the illegal acts listed in the preceding paragraph but still acquires, discloses, uses, or allows others to use the trade secrets shall be deemed to have infringed upon the trade secrets. The party whose trade secrets have been infringed upon may request administrative rectification measures, and the regulatory inspection department shall also order the cessation of the illegal acts and impose fines on the infringing party.

Regulations on Import and Export

According to the Foreign Trade Law of the People's Republic of China, promulgated by the NPC Standing Committee on May 12, 1994, and revised and effective on December 30, 2022, the state permits the free import and export of goods and technologies, unless otherwise stipulated by laws and administrative regulations.

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On December 21, 2023, the MOFCOM and the Ministry of Science and Technology issued the Catalogue of Technologies Prohibited and Restricted from Export in China, with partial adjustments made to the catalogue's content on July 15, 2025. The Catalogue of Technologies Prohibited and Restricted from Export in China enumerates the categories of technologies prohibited from export and those restricted from export.

According to the Regulations of the People's Republic of China on the Administration of Technology Import and Export, promulgated by the State Council on December 10, 2001, and revised on November 29, 2020, technologies classified as freely exportable are subject to contract registration management. Entities must register the technology export contract with the competent department of foreign trade and economic cooperation under the State Council to obtain the Technology Export Contract Registration Certificate. According to the Measures for the Administration of Registration of Technology Import and Export Contracts, promulgated by the MOFCOM on December 30, 2001, and revised on February 1, 2009, the state implements an online registration management system for contracts involving freely importable and exportable technologies. The department of commerce shall issue the Technology Import Contract Registration Certificate or Technology Export Contract Registration Certificate to technology importers or exporters.

As of the date of this Prospectus, the import/export of our major supplies and major products are not prohibited or restricted according to Foreign Trade Law of the People's Republic of China and relevant laws and administrative regulations, and during the Track Record Period, the Company complied with the laws and administrative regulations related to technology export.

According to the Customs Law of the People's Republic of China, promulgated by the NPC Standing Committee on January 22, 1987, and revised and effective on April 29, 2021, the Customs of the People's Republic of China is the state's supervisory and administrative organ for the entry and exit of goods at the border. The Customs shall exercise its jurisdiction in various aspects in accordance with relevant laws and administrative regulations. Consignees and consignors of imported and exported goods, as well as customs declaration enterprises, shall file records with the Customs in accordance with the law when going through customs declaration procedures. In addition, according to the Regulations of the People's Republic of China on Customs Declaration Entity Registration Management promulgated by the General Administration of Customs on November 19, 2021 and effective from January 1, 2022, consignees and consignors of imported and exported goods and customs declaration enterprises that apply for registration shall obtain the qualification of market entities. Among them, consignees and consignors of imported and exported goods that apply for record-filing shall also obtain the registration as foreign trade operators.

REGULATORY OVERVIEW

According to the Notice on Matters Concerning the Registration of Consignors and Consignees of Import and Export Goods issued by the Enterprise Management and Audit Department of the General Administration of Customs on January 3, 2023, entities applying for registration as consignors or consignees of import and export goods must obtain market entity qualification but are no longer required to obtain foreign trade operator registration.

Laws and Regulations Related to Product Quality

According to the Product Quality Law of the People's Republic of China (effective from December 29, 2018), promulgated by the NPC Standing Committee on February 22, 1993, and revised on December 29, 2018, producers and sellers shall establish and improve internal product quality management systems, strictly implementing job-specific quality standards, quality responsibilities, and corresponding assessment methods. It is prohibited to forge or counterfeit quality marks such as certification marks; it is prohibited to forge the origin of products or counterfeit or use the factory names and addresses of others; it is prohibited to adulterate or falsify products during production or sales, pass off fake goods as genuine, or pass off inferior goods as superior ones.

Regulations on Foreign Exchange Supervision

According to the Regulations on the Foreign Exchange Administration of the People's Republic of China (effective from August 5, 2008), promulgated by the State Council on January 29, 1996, and revised on August 5, 2008, foreign exchange expenditures under current accounts shall be paid with self-owned foreign exchange or purchased from financial institutions engaged in foreign exchange settlement and sales business based on valid documents, in accordance with the administrative regulations on foreign exchange payment and purchase issued by the foreign exchange administrative department of the State Council. Domestic institutions and individuals making direct investments abroad or engaging in the issuance and trading of overseas securities and derivatives shall go through registration procedures in accordance with the regulations of the foreign exchange administrative department of the State Council. Where prior approval or filing is required by the state from relevant competent authorities, such approval or filing shall be completed before foreign exchange registration.

According to the Provisions on Foreign Exchange Administration of Foreign Investors' Direct Investment in China (effective from December 30, 2019), promulgated by the SAFE on May 10, 2013, and revised on December 30, 2019, the administration of direct investment in China by foreign investors by SAFE or its local branches must be conducted through registration, and banks must handle foreign exchange business related to direct investment in China based on the registration data provided by SAFE and its branches.

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According to the Circular on Foreign Exchange Administration for Overseas Listings (effective from December 26, 2014), promulgated by the SAFE on December 26, 2014, domestic enterprises shall go through overseas listing registration with the foreign exchange bureau at their registered place within 15 working days after the completion of overseas listing issuance. Funds raised from overseas listings by domestic companies may be repatriated to corresponding domestic special accounts or deposited in overseas special accounts, and the use of funds shall be consistent with the relevant content listed in the prospectus and other publicly disclosed documents.

According to the Notice of the State Administration of Foreign Exchange on Further Deepening Reform to Promote Cross-border Trade and Investment Facilitation (effective from December 4, 2023), promulgated by SAFE on December 4, 2023, foreign exchange funds raised from overseas listings by domestic enterprises may be directly remitted to capital account settlement accounts, and funds in capital account settlement accounts may be freely converted and used.

Regulations on Labor and Employment

According to the Labor Law of the People's Republic of China (effective from December 29, 2018), promulgated by the NPC Standing Committee on July 5, 1994, and revised on December 29, 2018; the Labor Contract Law of the People's Republic of China (effective from July 1, 2013), promulgated by the NPC Standing Committee on June 29, 2007, and revised on December 28, 2012; and the Regulations on the Implementation of the Labor Contract Law of the People's Republic of China (effective from September 18, 2008), promulgated by the State Council on September 18, 2008, employers and workers shall sign written labor contracts when establishing labor relations. Wages shall not be lower than the local minimum wage standards. Employers shall establish and improve labor rules and regulations in accordance with the law to ensure that workers enjoy labor rights and fulfill labor obligations.

According to the Social Insurance Law of the People's Republic of China (effective from December 29, 2018), promulgated by the NPC Standing Committee on October 28, 2010, and revised on December 29, 2018; the Provisional Regulations on Collection and Payment of Social Insurance Premiums (effective from March 24, 2019), promulgated by the State Council on January 22, 1999, and revised on March 24, 2019; the Regulations on the Management of Housing Provident Fund (effective from March 24, 2019), promulgated by the State Council on April 3, 1999, and revised on March 24, 2019; and the Regulations on Work-Related Injury Insurance (effective from January 1, 2011), promulgated by the State Council on April 27, 2003, and revised on December 20, 2010, employers shall open social insurance accounts and housing provident fund accounts within 30 days from the date of employment and shall also pay basic old-age insurance, unemployment insurance, basic medical insurance, work-related injury insurance, maternity insurance and other social insurance funds, as well as housing provident funds, for their employees. Employers who fail to pay such funds shall be fined and ordered to make up the payments within a specified time limit.

Regulations on Land and Real Estate

According to the Land Administration Law of the People's Republic of China (effective from January 1, 2020), promulgated by the NPC Standing Committee on June 25, 1986, and revised on August 26, 2019, China implements a land use control system, including agricultural land, construction land, and unused land. All units and individuals must use land strictly in accordance with the purposes determined by the overall land use plan. The registration of land ownership and use rights shall be conducted in accordance with the laws and administrative regulations on real estate registration. The ownership and use rights of land registered in accordance with the law shall be protected by law, and no unit or individual may infringe upon them.

According to the Interim Regulations on Immovable Property Registration (effective from May 1, 2024), promulgated by the State Council on November 24, 2014, and revised on March 10, 2024; and the Detailed Regulations on the Implementation of the Interim Regulations on Immovable Property Registration (effective from May 9, 2024), promulgated by the Ministry of Land and Resources on January 1, 2016, and revised on May 9, 2024, China implements a unified real estate registration system.

According to the Construction Law of the People's Republic of China (effective from April 23, 2019), promulgated by the NPC Standing Committee on November 1, 1997, and revised on April 23, 2019, before the commencement of a construction project, the project owner shall apply to the construction administrative department of the people's government at or above the county level where the project is located for a construction permit in accordance with relevant state regulations; however, small-scale projects below the quota determined by the construction administrative department of the State Council are exempted. Construction projects for which a commencement report has been approved in accordance with the authority and procedures prescribed by the State Council shall no longer need to obtain a construction permit. The project owner shall commence construction within three months from the date of obtaining the construction permit. If construction cannot be commenced on schedule for some reason, an application for extension shall be submitted to the issuing authority; extensions are limited to two times, with each extension not exceeding three months. If construction is neither commenced nor an extension is applied for, or if the extension time limit is exceeded, the construction permit shall automatically become invalid.

According to the Urban Real Estate Administration Law of the People's Republic of China (effective from January 1, 2020), promulgated by the NPC Standing Committee on July 5, 1994, and amended on August 26, 2019, when leasing a house, the lessor and the lessee shall sign a written lease contract specifying terms such as the lease term, lease purpose, lease price, and repair responsibilities, as well as other rights and obligations of both parties, and register the lease with the real estate administration department.

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According to the Administrative Measures for Commodity Housing Tenancy (effective from February 1, 2011), promulgated by the Ministry of Housing and Urban-Rural Development on December 1, 2010, within 30 days after the conclusion of a house lease contract, the parties to the lease shall register the lease with the construction (real estate) administrative department of the people's government of the municipality directly under the Central Government, city, or county where the leased house is located. Violations of the regulations shall result in an order from the construction (real estate) administrative department of the people's government of the municipality directly under the Central Government, city, or county to make corrections within a specified time limit. If an individual fails to make corrections within the time limit, a fine of not more than RMB1,000 shall be imposed; if a unit fails to make corrections within the time limit, a fine of not less than RMB1,000 but not more than RMB10,000 shall be imposed.

Regulations on Taxation

Enterprise Income Tax

According to the Enterprise Income Tax Law of the People's Republic of China (effective from December 29, 2018, the "EIT Law"), promulgated by the NPC on March 16, 2007, and revised on December 29, 2018, and the Regulations on the Implementation of the Enterprise Income Tax Law of the People's Republic of China (effective from January 20, 2025, the Regulations on the Implementation of the EIT Law), promulgated by the State Council on December 6, 2007, and revised and implemented on December 6, 2024, domestic enterprises established in accordance with the law within the territory of China or established in accordance with the laws of foreign countries (regions) but with their actual management entities within the territory of China are deemed as resident enterprises. Resident enterprises shall pay enterprise income tax at a rate of 25% on any income generated within or outside the territory of China. Key industries or projects supported or encouraged by the state may enjoy preferential enterprise income tax rates. High-tech enterprises supported by the state may pay enterprise income tax at a reduced rate of 15%.

According to the Announcement on Further Supporting the Development of Small and Micro Enterprises and Self-Employed Individuals Concerning Tax and Fee Policies (effective from January 1, 2023), promulgated by the Ministry of Finance of the People's Republic of China (the "MOF") and the State Administration of Taxation of the People's Republic of China (the "SAT") on August 2, 2023, the policy of reducing the taxable income of small and micro enterprises by 25% and paying enterprise income tax at a rate of 20% shall be extended until December 31, 2027.

In December 2020, the MOF, the SAT, the NDRC and the MIIT jointly issued the Announcement on Enterprise Income Tax Policies for Promoting the High-Quality Development of the Integrated Circuit Industry and the Software Industry. According to the aforementioned announcement, key integrated circuit design enterprises and software enterprises encouraged by the state shall be exempt from enterprise income tax from the first to the fifth year starting from the year in which they begin to make profits, and shall pay enterprise income tax at a reduced rate of 10% in the subsequent years.

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Value-added Tax

According to the Interim Regulations of the People's Republic of China on Value-added Tax (effective from November 19, 2017), promulgated by the State Council on December 13, 1993, and revised on November 19, 2017; the Detailed Regulations on the Implementation of the Interim Regulations of the People's Republic of China on Value-added Tax (effective from November 1, 2011), promulgated by the Ministry of Finance on December 25, 1993, and revised on October 28, 2011; Notice of the Ministry of Finance and the State Administration of Taxation on Adjusting the Value-Added Tax Rate (effective from May 1, 2018), promulgated by the MOF and the State Taxation Administration on April 4, 2018; and the Announcement on Policies Concerning the Deepening of Value-Added Tax Reform (effective from September 1, 2025), promulgated by the MOF, the State Taxation Administration, and the General Administration of Customs on March 20, 2019, and revised on August 22, 2025, enterprises and individuals engaged in the sale of goods, provision of processing, repair, and replacement services, sale of services, intangible assets, real estate, and importation of goods within the territory of China shall pay value-added tax, and the value-added tax rates have been further revised to 6%, 9% or 13%. According to Annex 3 of the Notice of the Ministry of Finance and the State Administration of Taxation on Comprehensively Launching the Pilot Program to Replace Business Tax with Value-Added Tax (《財政部國家稅務總局關於全面推開營業稅改徵增值稅試點的通知》), taxpayers providing technology transfer services are exempt from value-added tax.

Dividend Withholding Tax

According to the Individual Income Tax Law of the People's Republic of China (effective from January 1, 2019), promulgated by the NPC Standing Committee on September 10, 1980, and revised on August 31, 2018, and the Regulations on the Implementation of the Individual Income Tax Law of the People's Republic of China (effective from January 1, 2019), promulgated by the State Council on January 28, 1994, and revised on December 18, 2018, dividends distributed by Chinese enterprises shall be subject to individual income tax at a unified rate of 20%. For foreign individuals who are non-residents of China and receive dividends from Chinese enterprises, they shall generally be subject to individual income tax at a rate of 20%, unless otherwise stipulated by the financial and taxation authorities of the State Council. According to the EIT Law and the Regulations on the Implementation of the EIT Law, the enterprise income tax rate is 25%. Non-resident enterprises that do not establish institutions or establishments within the territory of China, or that have established institutions or establishments but the income derived therefrom has no actual connection with such institutions or establishments, shall pay enterprise income tax on their income derived from sources within the territory of China at a rate of 10%. For the aforementioned enterprise income tax payable by non-resident enterprises, withholding at source shall be implemented, with the payer serving as the withholding agent. The tax shall be withheld by the withholding agent from the payment or the amount payable when due each time a payment is made or when it becomes due.

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According to the Circular of the State Administration of Taxation on Issues Relating to Withholding of Enterprise Income Tax by PRC Resident Enterprises on Dividends Paid to Overseas Non-PRC Resident Enterprise Shareholders of H Shares (effective from November 6, 2008), promulgated by the State Administration of Taxation on November 6, 2008, when Chinese resident enterprises distribute dividends for the year 2008 and subsequent years to non-resident enterprise shareholders holding H shares outside the territory of China, they shall uniformly withhold and pay enterprise income tax at a rate of 10%.

According to the Arrangement between the Mainland of China 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 (effective from August 21, 2006), signed by the State Administration of Taxation and the Government of the Hong Kong Special Administrative Region on August 21, 2006, the mainland government may impose tax on dividends paid by Chinese resident enterprises to Hong Kong residents (including natural persons and legal entities), but such tax shall not exceed 10% of the gross amount of the dividends payable by the Chinese resident enterprises, unless the relevant Hong Kong resident directly holds 25% or more of the equity in a Chinese resident enterprise, in which case the tax shall not exceed 5% of the gross amount of the dividends payable by the Chinese resident enterprise.

Regulations on Foreign Direct Investment

According to the Measures for Administration of Overseas Investments by Enterprises (effective from March 1, 2018), promulgated by the NDRC on December 26, 2017, when conducting overseas investment, enterprises within the territory of China (the “Investment Entities”) shall fulfill procedures such as approval and filing for overseas investment projects (hereinafter referred to as projects), report relevant information, and cooperate with supervision and inspection. The scope of projects subject to approval management is sensitive projects directly undertaken by investment entities or through their controlled overseas enterprises; the scope of projects subject to filing management is non-sensitive projects directly undertaken by investment entities, that is, non-sensitive projects involving the direct investment of assets, equity, or the provision of financing or guarantees by investment entities. The aforementioned “sensitive projects” refer to projects involving sensitive countries and regions or sensitive industries. The NDRC promulgated the Catalog of Sensitive Sectors for Outbound Investment (2018 Edition), which has been in effect since March 1, 2018, detailing the current sensitive industries.

According to the Measures for Administration of Overseas Investments (effective from October 6, 2014), promulgated by the MOFCOM on March 16, 2009, and revised on September 6, 2014, the MOFCOM and provincial-level commerce authorities implement filing and approval management separately based on different circumstances of enterprises’ overseas investments. Approval management shall be implemented for overseas investments involving any sensitive countries and regions or any sensitive industries. Filing management shall be implemented for other circumstances of overseas investments.

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On February 13, 2015, the SAFE issued the Circular of the State Administration of Foreign Exchange on Further Simplifying and Improving Foreign Exchange Administration Policies for Direct Investment, canceling the approval of foreign exchange registration for direct investment. Banks directly review and handle foreign exchange registration for overseas direct investment. The SAFE and its branches implement indirect supervision over foreign exchange registration for overseas direct investment through banks.

Regulations on Internet Information Security and Privacy Protection

According to the Cybersecurity Law of the People's Republic of China (effective from June 1, 2017), promulgated by the NPC Standing Committee on November 7, 2016, when constructing, operating networks, or providing services through networks, technical measures and other necessary measures shall be taken in accordance with the provisions of laws, administrative regulations, and the mandatory requirements of national standards to ensure cybersecurity, stable operation, effective response to cybersecurity incidents, prevention of cyber illegal and criminal activities, and maintenance of the integrity, confidentiality, and availability of network data.

According to the Data Security Law of the People's Republic of China (effective from September 1, 2021), promulgated by the NPC Standing Committee on June 10, 2021, the state establishes a data classification and graded protection system, implementing data classification and graded protection based on factors such as the importance of data in economic and social development. When conducting data processing activities, entities shall, in accordance with laws and regulations, establish and improve a full-process data security management system, organize data security education and training, and adopt corresponding technical measures and other necessary measures to ensure data security.

Regulations on Securities and Filing for Overseas Listing

According to the Securities Law of the People's Republic of China (effective from March 1, 2020, the "Securities Law"), promulgated by the NPC Standing Committee on December 29, 1998, and revised on December 28, 2019, domestic enterprises that directly or indirectly issue securities overseas or list their securities overseas shall comply with the relevant provisions of the State Council. For domestic companies whose shares are subscribed for and traded in foreign currencies, specific measures shall be separately stipulated by the State Council. The CSRC is a securities regulatory institution established by the State Council, responsible for supervising and managing the securities market in accordance with the law, maintaining market order, and ensuring the lawful operation of the market. Currently, the overseas issuance of securities and listing of enterprises within the territory of China are mainly regulated by regulations and normative documents promulgated by the State Council and the CSRC.

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According to the Trial Measures for the Administration of Overseas Issuance and Listing of Securities by Domestic Enterprises (effective from March 31, 2023) and supporting guidelines (the Trial Measures for Overseas Listing) promulgated by the CSRC on February 17, 2023, as well as the Notice on the Arrangement for the Administration of Overseas Listing Filing by Domestic Enterprises (effective from February 17, 2023) promulgated by the CSRC on the same date, domestic enterprises that directly or indirectly issue securities overseas or list their securities for trading overseas must file with the CSRC within three working days after submitting listing application documents to the relevant regulatory authorities of the intended listing venue. Enterprises that fail to complete the filing in accordance with the overseas listing regulations or conceal any material facts or fabricate any material false content in the filing documents may be subject to administrative penalties such as orders to make corrections, warnings and fines. Their controlling shareholders, actual controllers, directly responsible supervisors, and other directly responsible personnel may also be subject to administrative penalties such as warnings and fines. Under any of the following circumstances, domestic enterprises shall not conduct overseas issuance and listing: (i) Listing for financing is explicitly prohibited by laws, administrative regulations, or relevant state provisions; (ii) Upon review and determination by the relevant competent authorities of the State Council in accordance with the law, overseas issuance and listing may endanger national security; (iii) The domestic enterprise or its controlling shareholders or actual controllers have been involved in criminal offenses such as corruption, bribery, embezzlement, misappropriation of property, or disruption of the socialist market economic order within the past three years; (iv) The domestic enterprise is under investigation by law for suspected crimes or major violations of laws and regulations, and no clear conclusion has yet been reached; or (v) There are major ownership disputes over the equity held by the controlling shareholders or shareholders controlled by the controlling shareholders or actual controllers.

According to the Opinions on Strictly Cracking Down on Illegal Securities Activities in Accordance with the Law (effective from July 6, 2021), promulgated by the General Office of the Central Committee of the Communist Party of China and the General Office of the State Council on July 6, 2021, it emphasizes strengthening cross-border regulatory cooperation, improving relevant laws and regulations on data security, cross-border data flows, and the management of classified information, urgently revising provisions on strengthening the confidentiality and archive management related to overseas issuance of securities and listing, reinforcing the main responsibility of overseas-listed companies for information security, and strengthening the standardized management of cross-border information provision mechanisms and processes.

According to the Provisions on Strengthening the Confidentiality and Archive Management Related to Overseas Issuance of Securities and Listing by Domestic Enterprises (effective from March 31, 2023), promulgated by the CSRC, the MOF, the National Administration of State Secrets Protection and the National Archives Administration of the People's Republic of China on February 24, 2023, domestic enterprises shall establish confidentiality and archive systems when issuing and listing securities in overseas markets. Domestic enterprises include domestic joint-stock limited companies that directly issue and list securities overseas and domestic operating entities of indirect overseas issuance and listing entities.

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REGULATION ENVIRONMENT IN THE U.S.

U.S. Export Controls

The Export Control Reform Act of 2018 (“ECRA”) authorizes the U.S. President to implement “dual-use” export controls. Pursuant to this statutory authority, the U.S. Department of Commerce, Bureau of Industry and Security (“BIS”) administers the Export Administration Regulations (“EAR”), codified at 15 C.F.R. § 730 *et seq.* The EAR control the export, reexport, and transfer (in-country) of dual-use commodities, software and technology. The EAR applies to all items “subject to the EAR” as defined at EAR §§ 734.2 — 734.5. Items subject to the EAR include U.S.-made items and items physically in the United States as well as certain non-U.S. made items. The EAR applies to goods, software and technology subject to the EAR located anywhere in the world. Our Directors are of the view, as advised by our legal advisor and taking into account its view, certain IC fabrication technology adopted by our suppliers, and the EDA software utilized by us are items of U.S. origin and therefore subject to the U.S. EAR. Based on the applicable export control requirements under the EAR, no specific export license is required for the export of such items to our Group. This is because these items are generally non-sensitive items and are not designated as requiring a license for export to our destination.

In October 2022, BIS issued an interim final rule (the “BIS October 2022 IFR”) requiring license for exports, re-exports, or transfers of any item subject to the EAR when there is “knowledge” that the item is destined for end use in the development or production of ICs at a fab in China that fabricates ICs meeting certain criteria. The BIS October 2022 IFR was amended in October 2023 to strengthen export controls relating to advanced computing and semiconductor manufacturing equipment. On December 2, 2024, BIS issued an interim final rule (BIS December 2024 IFR) and a final rule (BIS December 2024 FR), which expanded controls in the EAR on advanced computing and semiconductor manufacturing items. On January 15, 2025, BIS issued an Interim Final Rule implementing new due diligence measures for advanced computing ICs (DD IFR). See “Risk Factors — Changes in international trade policies, geopolitics and trade protection measures, export control and economic or trade sanctions may affect our business, financial condition and results of operations.”

U.S. Sanctions

The U.S. Department of the Treasury’s Office of Foreign Assets Control (“OFAC”) administers regulations imposing economic sanctions on countries and designated individuals and entities. These regulations implement Executive Orders issued by the President primarily under the International Emergency Economic Powers Act (“IEEPA”). The United States maintains a set of complex restrictions on transactions involving embargoed countries and regions. As of the date of this Prospectus, Cuba, Iran, North Korea, and the Crimea, Donetsk and Luhansk regions of Ukraine are the subject of comprehensive U.S. embargoes. Other sanctions programs target activities such as terrorism, drug trafficking, human rights, and other matters of importance to U.S. national security and foreign policy. There are also strict,

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“near-comprehensive” sanctions in place against certain other jurisdictions such as the Russian Federation. OFAC implements “primary” and “secondary” sanctions with specific restrictions unique to each individual sanctions program. Sanctioned persons are identified on OFAC’s List of Specially Designated Nationals and Blocked Persons (“SDN List”). All assets of SDNs are blocked and U.S. persons are generally prohibited from dealing with them absent an applicable OFAC license or exemption.

U.S. Antitrust Laws

U.S. federal antitrust laws primarily include the Sherman Antitrust Act of 1890 (“Sherman Act”), the Federal Trade Commission Act of 1914 (“FTC Act”), and the Clayton Antitrust Act of 1914 (“Clayton Act”). The Sherman Act broadly prohibits (i) anticompetitive agreements that unreasonably restrain trade and (ii) the acquisition or maintenance of monopoly power through exclusionary conduct; a violation of either prohibition can be enforced through criminal and civil actions. The Sherman Act is enforced criminally by the U.S. Department of Justice Antitrust Division (“DOJ”), and civilly by both the DOJ and the Federal Trade Commission (“FTC”). The FTC Act prohibits unfair methods of competition and unfair or deceptive acts or practices and is enforced civilly by the FTC. The Clayton Act supplements the Sherman Act by addressing specific business practices and transactions that may substantially lessen competition, including mergers and acquisitions, exclusive dealing arrangements, and interlocking directorates, and it is enforced through civil actions by the DOJ and FTC.

The DOJ and the FTC have broad authority to investigate possible violations of federal antitrust laws. In addition, most of the state attorneys general have authority to investigate and bring enforcement actions against violations of their states’ antitrust laws, generally by procedures similar to those used by the DOJ. The antitrust laws are also enforced through private enforcement such as lawsuits by competitors, customers and consumers, including class actions.

Criminal antitrust investigations can take years to conclude. Under a typical criminal antitrust investigation, the DOJ exercises considerable discretion when determining whether to pursue charges after it completes its investigation. A variety of outcomes may therefore result from the initiation of a criminal DOJ investigation, including declination, non-prosecution agreement, deferred prosecution agreement, plea agreement or trial.

There are several potential legal consequences of criminal antitrust law violations, including restitution, injunctions, and criminal penalties. Criminal penalties are limited to US\$100 million, although U.S. law allows that limit to be increased to either twice the amount gained by the conspirators or twice the victims’ losses, if either figure exceeds US\$100 million.

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Civil consequences of violating U.S. antitrust law may include court-ordered or negotiated remedies such as injunctions requiring changes to business practices, behavioral restrictions, or structural remedies, including divestitures of assets or business lines. In merger-related cases, companies may have to abandon or unwind transactions or comply with specific conditions on their completion. Companies may also be subject to ongoing compliance obligations under consent decrees or administrative orders, and violations of such orders may result in civil monetary penalties. In addition, antitrust investigations or enforcement actions may give rise to private civil litigation, in which plaintiffs may seek monetary damages and other relief, including treble damages under U.S. law. See “Risk Factors — Risks Related to Our Business and Industry — We are subject to scrutiny under antitrust laws and/or could be involved in related investigations.”

U.S. Outbound Investment Rule

The Outbound Investment Rule provides that certain investment activities, when engaged by a U.S. person involving a “person of a country of concern,” can result in either a “notifiable transaction” or a “prohibited transaction.” In general, “U.S. persons” are subject to certain compliance obligations when engaging in certain transactions with “covered foreign persons” from countries of concern after January 2, 2025, which may include a prohibition on the transaction or a notification requirement to the U.S. Government within 30 days of completing the transaction. On December 18, 2025, President of the United States signed into law the Fiscal Year 2026 National Defense Authorization Act, which includes the Comprehensive Outbound Investment National Security Act of 2025 (“COINS Act”). The COINS Act largely codifies the core of the current Outbound Investment Rule while making certain modifications. While the COINS Act was legally enacted and effective on December 18, 2025, it is not self-executing and it does not replace or amend the Outbound Investment Rule immediately. The COINS Act is a U.S. federal statute that provides the statutory basis of the Outbound Investment Rule. The COINS Act requires the U.S. Department of Treasury (the “Treasury”) to, within 450 days from passage, promulgate new or amended regulations (which may then amend or replace the Outbound Investment Rule) to implement the law.

Notifiable transactions in the semiconductor sector include U.S. persons acquiring an interest in covered foreign persons who either (1) design any integrated circuit, (2) fabricate any integrated circuit, or (3) package any integrated circuit, that are not covered by the prohibited transactions. Our Directors are of the view, as advised by our legal advisor and taking into account its view, that we are a “covered foreign person” and our business constitutes “covered activities” and investments by U.S. persons in us may constitute “notifiable transactions” under the Outbound Investment Rule (each of “covered foreign person”, “covered activities”, and “notifiable transaction” as so defined under the Outbound Investment Rule, as of the Latest Practicable Date).

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Our Directors are of the view that the Outbound Investment Rule has no material adverse impact to our business operations, financial performance and the Global Offering. On December 23, 2025, the Treasury published additional frequently asked questions (“FAQs”) on the Outbound Investment Rule. One of these FAQs (X. 4) provides that absent additional facts, when a U.S. person acquires an equity interest in a “covered foreign person”, and at the time of such acquisition the equity interest is publicly traded, such security falls under the description of a “publicly traded security” in 31 C.F.R. §850.501(a)(1)(i), regardless of when an agreement to make its investments is entered into. In light of the FAQs’ guidance, we are of the view, as advised by our legal advisor and taking into account its view, a U.S. person’s acquisition of our H shares that are publicly listed and traded in this Global Offering may constitute an “excepted transaction” assuming the U.S. person would not also be afforded rights beyond “standard minority shareholder protections.” While neither the Outbound Investment Rule nor the FAQs define the time of acquisition, as advised by our legal advisor, it is reasonable to conclude that the acquisition of the H shares by investors occurs upon settlement with them since the investors will receive our H shares at settlement. As long as the settlement of the H shares purchased by U.S. persons occurs after 9:00 am on the Listing Date, the H shares they acquire would be publicly listed and traded securities. Although U.S. persons’ passive investments in publicly traded securities may qualify as “excepted transactions” under the Outbound Investment Rule, there remains ambiguity regarding the scope and conditions of this exception. For instance, if settlement occurs before 9:00am on the Listing date when the H shares are not yet publicly listed and traded (for example, this is the case for settlement for Hong Kong Offer Shares), it remains uncertain whether the publicly traded securities exception under the Outbound Investment Rule can be applicable. The Group’s business activities fall under the definition of “covered activities” such that the Group is considered a “covered foreign person”, an exception of the Outbound Investment Rule could apply to a U.S. Person’s investment in the Group after the Global Offering. Pursuant to 31 C.F.R. §850.501(a) under the Outbound Invest Rule, an excepted transaction includes an investment by a U.S. person in any publicly traded security, with “security” that trades on a securities exchange or through the method of trading commonly referred to as “over-the-counter,” in any jurisdiction. Therefore, a U.S. person could purchase H Shares of the Group publicly traded on the Stock Exchange following the Global Offering without notification to the Treasury. There is no assurance that the Treasury will take the same view as ours. To the extent that this exception is not available, U.S. persons that purchase our H Shares in this Global Offering may be required to file notifications with the Treasury. Investors that are U.S. persons should consult their own legal counsel regarding the applicable compliance requirements, including their notification obligation and any applicable exception, under the Outbound Investment Rule in connection with this Global Offering. See “Risk Factors — Risks Related to the Jurisdictions in Which We Operate Our Business — We are exposed to risks associated with U.S. Executive Order 14105 and its implementing regulations that prohibit and require notification by U.S. persons for certain investments.”

REGULATION ENVIRONMENT IN SOUTH KOREA

Foreign Exchange Control

Foreign transactions — involving non-residents, foreign currencies, or cross-border dealings from the perspective of South Korea — are regulated by the Foreign Exchange Transactions Act and its subordinate regulations (collectively, the “Foreign Exchange Regulations”).

Under the Foreign Exchange Regulations, current transactions generally do not require prior approval or reporting to foreign exchange authorities, such as the Bank of South Korea, foreign exchange banks, or the Ministry of Economy and Finance. On the contrary, capital transactions such as borrowing, granting loans, issuing securities or investment to offshore entities are, as a rule, subject to prior or post-reporting requirements, and in some cases, the acceptance of such reports is also required. The relevant foreign exchange authority to which the parties to such capital transaction should report vary depending on the type of the transaction.

Failure to comply with the applicable reporting and relevant acceptance thereof may result in penalties, including criminal fines, administrative sanctions, or suspension of the relevant transactions for a certain period.

Laws and Regulations Relating to Intellectual Property Rights

Under the Trademark Act, any person who uses or intends to use a trademark in South Korea may obtain registration of his or her trademark. Pursuant to Article 82, trademark rights take effect upon completion of registration. The duration of trademark rights is ten years from the date of such registration, and the duration may be renewed for another ten years by filing an application to register the renewal of the duration. However, if the trademark holder fails to pay the prescribed fees, the registration may be extinguished within five years.

According to Article 89, a registered trademark holder holds the exclusive right to use the trademark in connection with the designated goods, in principle. Furthermore, according to Article 107, a trademark right holder may seek an injunction requesting the prohibition or prevention of infringement against a person who infringes on the trademark right, such as using a trademark identical to a registered trademark of another person on goods similar to the designated goods, or using a trademark similar to the registered trademark of another person on goods identical or similar to the designated goods.

The penal provisions of the Trademark Act stipulate that any person who infringes trademark rights shall be punished by imprisonment for not more than seven years or by a fine not exceeding KRW one hundred million. Additionally, falsely indicating that a trademark is registered when it is not may result in imprisonment for up to three years, or a fine not exceeding KRW thirty million.

Import Laws

Sales to South Korea are subject to various import-related regulations such as Customs Duties Law and the Foreign Trade Law. Generally, a person who imports goods into South Korea is obliged to file an import declaration and pay customs duties, import VAT, and etc. pursuant to Customs Duties Law. Pursuant to the Foreign Trade Act, products should indicate the country of origin, which may be reviewed by South Korea Customs Office in the course of customs clearance. In the event (i) an importer or exporter knowingly and intentionally trades goods (a) with false or misleading marks of origin, (b) with marks of origin, which were damaged or modified, or (c) without the required marks of origin, or (ii) an importer or exporter intentionally fails to follow the corrective orders from the relevant authorities, such importer or exporter shall be punished by imprisonment of up to 5 years or criminal fine of up to KRW100 million.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OVERVIEW

The Group's history traces back to May 2004, when the Company was established as a limited liability company under the laws of the PRC under the name of Montage Technology (Shanghai) Co., Ltd. (瀾起科技(上海)有限公司) by our co-founders, namely Dr. Howard C. Yang and Mr. Stephen Tai, due to their relevant industry experience and common insights into the future prospect of the semiconductor industry. For details of the background of Dr. Howard C. Yang and Mr. Stephen Tai, see "Directors and Senior Management". We strive to address challenges in data exchange and transmission, making data interconnection more efficient and reliable. This strategic goal, combined with ongoing significant R&D investment, has enabled us to establish and maintain our market leadership within the memory interface chips field in the DDR4 and DDR5 eras and beyond.

Between September 2013 and November 2014, the ordinary shares of Montage Group, our then indirect holding company, were listed on the Nasdaq (NASDAQ: MONT). For details, see "— History of Nasdaq Listing of Montage Group and its Privatization" in this section below.

Since July 2019, our A Shares have been listed on the Shanghai Stock Exchange STAR Market with the stock code of 688008. For details, see "Corporate Development and Major Shareholding Changes" below. As of the Latest Practicable Date, our total issued share capital was RMB1,146,426,521, comprising 1,146,426,521 A Shares.

KEY CORPORATE AND BUSINESS DEVELOPMENT MILESTONES

The following is a summary of our Group's key corporate and business development milestones:

Year	Milestones
2004	Our Company was established.
2006	We obtained the first authorized invention patent, and our chips first achieved mass production.
	Intel Capital invested in Montage Group.
2008	We completed certification for our DDR2 Advanced Memory Buffer chip (AMB).
2011	We completed certification for our DDR3 Register Buffer chip and Memory Buffer chip.
	We achieved profitability for the first time.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Year	Milestones
2013	The DDR4 fully buffered “1+9” architecture invented by our Company was adopted by JEDEC as the international standard for LRDIMM.
2014	We won the Global Semiconductor Alliance (GSA) Best Financial Management Award.
2015	We having been profitable for the 5 th consecutive year since 2011.
2018	Intel Capital and Samsung Venture invested in us.
2019	We were one of the first 25 companies to have listed on the Shanghai Stock Exchange STAR Market.
2020	We having been profitable for the 10 th consecutive year since 2011.
2021	We were elected to the JEDEC Board.
	We achieved mass production and delivery of DDR5 memory interface and module supporting chips.
2022	We delivered the world’s first CXL Memory eXpander Controller (MXC) chip and sampled the first DDR5 Clock Driver (CKD) chip in the industry.
2023	We achieved mass production for our PCIe 5.0/CXL 2.0 Retimer chips.
2024	Our net profit attributable to owners of the parent exceeded RMB1.4 billion.
	We have been profitable for the 14 th consecutive year since 2011.
2025	We sampled PCIe 6.x/CXL 3.x Retimer chips and DDR5 Gen2 MRCD/MDB chips.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OUR MAJOR SUBSIDIARIES

The following table sets forth the detailed information of the major subsidiaries of the Group as of the Latest Practicable Date:

Name of subsidiary	Time and jurisdiction of establishment and commencement of business	Equity interest attributable to our Group	Registered capital	Principal activities
Montage Technology (Kunshan) Co., Ltd. (瀾起電子科技(昆山)有限公司) . . .	May 2017, PRC	100%	RMB500 million	Research, development and sale of chip
Montage Semiconductor (Kunshan) Co., Ltd. (昆山瀾起半導體有限公司) .	April 2018, PRC	100%	RMB1 million	Research, development and sale of chip
Montage Technology Holdings Company Limited	June 2010, Cayman Islands	100%	US\$50,000	Investment holding company
Montage Technology Macao Commercial Offshore Limited	May 2003, Macau ^{Note}	100%	MOP500,000	Research, development and sale of chip

Note: Montage Group acquired the entire equity interests in Montage Technology Macao Commercial Offshore Limited in April 2013 from an Independent Third Party.

For shareholding changes of our subsidiaries during the two years immediately preceding the date of this Prospectus, see “Statutory and General Information — Further Information about our Company — Changes in the Share Capital of our Subsidiaries” in Appendix V to this Prospectus.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

CORPORATE DEVELOPMENT AND MAJOR SHAREHOLDING CHANGES

Early History

Incorporation of our Company in May 2004

In May 2004, our Company was established as a limited liability company under the laws of the PRC with the name Montage Technology (Shanghai) Co., Ltd. (瀾起科技(上海)有限公司) and an initial share capital of US\$1 million. The shareholding structure of our Company as of the date of the establishment was as follows:

Name of the Shareholders	Approximate percentage of shareholding (%)
Montage Group ^(Note)	100.00

Note: Montage Group was held as to 27.71% by Dr. Howard C. Yang, 0.0001% by Mr. Stephen Tai and 32.86% by Shanghai Venture Group Ltd, a company owned as to 50% each by Mr. Stephen Tai and his spouse at the time our Company was established, and 39.43% by two other then shareholders who were Independent Third Parties.

History of Nasdaq Listing of Montage Group and its Privatization

In September 2013, the ordinary shares of Montage Group were listed on the Nasdaq (NASDAQ: MONT), priced at US\$10 per offer share, and raised net proceeds of approximately US\$71 million (with an enlarged market capitalization of US\$265 million). In March 2014, the board of directors of Montage Group announced that it had received a non-binding proposal from Shanghai Pudong Science and Technology Investment Co., Ltd. (“PDSTI”), a limited liability company then wholly owned by Shanghai Pudong New District State-owned Assets Supervision and Administration Commission (上海市浦東新區國有資產監督管理委員會), in relation to the proposed acquisition of the entire issued shares of Montage Group at a price of US\$21.50 in cash per ordinary share.

In June 2014, the board of directors of Montage Group further announced that subject to shareholders’ approval, it had entered into a definitive merger agreement (the “**Merger Agreement**”) under which PDSTI would acquire all of the outstanding ordinary Shares of Montage Group for US\$22.60 per ordinary share, based on the then valuation of Montage Group’s equity, and Montage Group’s future prospect at approximately US\$693 million (the “**Merger**”). Based on the relevant filings on the Nasdaq market, the board of Montage Group considered that the Merger would provide additional operational flexibility and position Montage Group to invest more strategically to drive powerful innovation and deliver cutting edge customer solutions.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

In July 2014, shareholders of Montage Group resolved to approve the Merger Agreement and the Merger. The Merger under the Merger Agreement was completed in November 2014 whereby the entire issued shares of Montage Group were acquired by Montage Technology Global Holdings Ltd. (“**Montage Holding**”), a company established for the purpose of the Merger the shareholders of which as of the completion of the Merger were PDSTI and CEC Industrial Development Investment Inc., each was entitled to control the exercise of 50% of the voting rights therein. Following the completion of the Merger, Montage Group was privatized and ceased to be a company listed on the Nasdaq in November 2014. Immediately after the Merger, the Montage Group was wholly owned by Montage Holding.

The Directors confirm that, during (i) the period when the ordinary shares of Montage Group were listed on Nasdaq, and (ii) the course of the Merger, Montage Group had complied with all applicable laws and regulations in all material aspects, and no administrative or governmental penalties were imposed against Montage Group, nor had it been subject to any material inquiry or investigation by the relevant regulatory authorities.

Shareholding changes of Montage Holding subsequent to the Merger

Subsequent to the Merger, and following certain transfers of shares of Montage Holding by its then existing shareholders, as of December 31, 2014 the shareholding structure of Montage Holding was as follows:

Name	Approximate percentage of shareholding in Montage Holding (%)
Neptune Connection Limited ⁽¹⁾	38.29
CEC Industrial Development Investment Inc. ⁽²⁾	36.27
PKM Holding Co., Ltd. ⁽³⁾	20.02
Other shareholders ⁽⁴⁾	5.42

Notes:

1. Neptune Connection Limited is an offshore affiliate of CITIC Securities Co., Ltd which became a shareholder of Montage Holding subsequent to the Merger, as negotiated and agreed by other then shareholders of Montage Holding.
2. CEC Industrial Development Investment Inc. is a then wholly owned subsidiary of CEIH.
3. PKM is an offshore affiliate of PDSTI.
4. All such other shareholders are Independent Third Parties.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Shareholding changes of Montage Holding between 2015 and 2016

Between 2015 and 2016, various transfers of equity interests in Montage Holding had taken place through its then existing shareholders. As of December 31, 2016, the shareholding structure of Montage Holding was as follows:

Name	Approximate percentage of shareholding in Montage Holding (%)
CEC Industrial Development Investment Inc.	21.36
PKM Holding Co., Ltd.	17.18
CEC Capital Fund, L.P.	16.07
Neptune Connection Limited	13.43
WLT Partners ⁽¹⁾	13.24
Other shareholders ⁽²⁾	18.71

Notes:

- (1) In April 2016, certain then existing shareholders of Montage Holding transferred equity interests they then held to WLT Partners to allow the key management members (including Dr. Howard C. Yang and Mr. Stephen Tai) to hold interests therein. For details of WLT Partners, see the section “Substantial Shareholders” in this Prospectus.
- (2) All such other shareholders are Independent Third Parties.

Allotment of Shares and unwinding of offshore shareholding structure of the Company in 2018

In February 2018, six entities, including Zhuhai Rongying, subscribed for, and the Company allotted, 146,819,325 Shares for an aggregate consideration of approximately RMB833.93 million. Upon completion of such allotment, such six entities became Shareholders and collectively held 16.24% of the then enlarged total issued Shares.

In preparation of the initial public offering of the A Shares in April 2018, Montage Technology Hong Kong Limited (which is indirectly wholly owned by Montage Holding at the relevant time) transferred 83.76% of the equity interests in the Company to 39 entities designated by the then shareholders of Montage Holding, including, among others, CEIH, Shanghai Linxin Entities, Zhuhai Rongying, WLT Partners, Xinyun Entities, and Jiaying Xindian. Following such transfer, Montage Holding ceased to hold any interests, directly or indirectly, in the Company.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Immediately following such transfers, the capital contribution structure of the Company was as follows:

Shareholders of the Company	Approximate percentage of capital contribution to the Company (%)
CEIH and Jiaxing Xindian ^(Note 1)	20.23
Shanghai Linxin Entities	14.39
Xinyun Entities	13.64
WLT Partners	9.72
Zhuhai Rongying	7.66
Other Shareholders ^(Note 2)	34.36

Notes:

1. the general partner of Jiaxing Xindian is controlled by CEIH.
2. all such other Shareholders are Independent Third Parties.

Conversion into a joint stock company in October 2018

Upon completion of several rounds of share transfers and capital injection, the registered capital of our Company reached RMB903.85 million immediately prior to the conversion of our Company into a joint stock company. In October 2018, our then Shareholders entered into agreement on the conversion of our Company from a limited liability company into a joint stock company under the laws of the PRC. Upon completion of the joint stock company conversion, the Company was owned as to (i) approximately 20.23% in aggregate by CEIH and Jiaxing Xindian, the general partner of which is controlled by CEIH; (ii) approximately 14.39% in aggregate by Shanghai Linxin Entities; (iii) approximately 13.64% in aggregate by Xinyun Entities; (iv) 9.72% by WLT Partners; (v) 7.66% by Zhuhai Rongying and (vi) 34.36% by other 28 shareholders, respectively, who are Independent Third Parties. For details of the shareholding structure of WLT Partners and Zhuhai Rongying, see “Substantial Shareholders”.

Investments by Intel Capital and Samsung Venture in December 2018

In December 2018, the registered capital of our Company increased from RMB903.85 million to approximately RMB1,016.83 million. The increased registered capital of RMB112.98 million, representing 112,981,400 Shares, were subscribed as to (i) 101,683,250 shares (representing 10% of the then total issued Shares) by Intel Capital, a wholly-owned subsidiary of Intel Corporation, at the consideration of approximately US\$175.07 million; and (ii) 11,298,150 shares (representing 1.11% of the then total issued Shares) by Samsung Venture at the consideration of approximately US\$19.45 million. The consideration was determined based on arm’s length negotiations between the relevant parties.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Listing on the Shanghai Stock Exchange STAR Market in July 2019

As approved by the CSRC, our Company completed the initial public offering and listing of our A Shares on the Shanghai Stock Exchange STAR Market (SSE: 688008) in July 2019, under which a total of 112,981,389 A Shares, representing 10% of the number of shares immediately following such A Shares listing, were issued, and net proceeds of approximately RMB2,746.56 million were raised.

Immediately following the initial public offering of our A Shares, our Company was owned as to (i) approximately 16.18% in aggregate by CEIH and Jiaxing Xindian; (ii) approximately 11.51% in aggregate by Shanghai Linxin Entities; (iii) approximately 10.91% in aggregate by Xinyun Entities; (iv) 10% by Intel Capital and its concert party; (v) approximately 7.77% by WLT Partners; (vi) approximately 6.13% by Zhuhai Rongying; (vii) approximately 28.5% by 29 then existing investors; and (viii) 9% by other public shareholders who subscribed in the initial public offering of our A Shares, respectively.

As of the Latest Practicable Date, there was no major capital market activities of the Company with respect to its listed Shares on the Shanghai Stock Exchange STAR Market.

For other changes in the share capital of our Company, see “Appendix V Statutory and General Information — Changes in the Share Capital of our Company” in this Prospectus.

SHAREHOLDINGS OF THE CONCERT PARTIES

WLT Partners and Zhuhai Rongying have been reaching a consensus beforehand and vote at the shareholders’ meetings of the Company pursuant to the opinion of WLT Partners, since the first general meeting of the Company held in November 2019 following the listing of the Company’s A Shares on the Shanghai Stock Exchange STAR Market, and this arrangement is formalized in a written acting-in-concert confirmation dated July 1, 2025. They are collectively interested in 7.23% of the total issued Shares as of the Latest Practicable Date.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period and up to the Latest Practicable Date, we did not conduct any major acquisitions, disposals or mergers that we consider to be material to us, or fall within the scope of Rule 4.05A of the Listing Rules.

POST-TRACK RECORD PERIOD ACQUISITIONS

We have made investments and have acquired minority equity interest of three companies after the Track Record Period and up to the Latest Practicable Date. We have applied to the Stock Exchange for, and the Stock Exchange has agreed to grant us, a waiver from strict compliance with Rules 4.04(2) and 4.04(4) of the Listing Rules in relation to such investments. See “Waivers and Exemptions — Waiver in respect of Businesses Acquired after the Track Record Period” for alternative disclosure of such investments.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OUR LISTING ON THE SHANGHAI STOCK EXCHANGE STAR MARKET AND REASONS FOR THE LISTING ON THE HONG KONG STOCK EXCHANGE

Since July 2019, our A Shares have been listed on the Shanghai Stock Exchange STAR Market (SSE: 688008). Our Directors confirmed that we had no instance of non-compliance with the rules of the Shanghai Stock Exchange STAR Market and other applicable securities laws and regulations of the PRC in any material respects since our listing on the Shanghai Stock Exchange STAR Market and up to the Latest Practicable Date and, to the best knowledge of our Directors after having made all reasonable enquiries, there was no material matter that should be brought to investors' attention in relation to our compliance record on the Shanghai Stock Exchange STAR Market. Based on the filings on the website of the Shanghai Stock Exchange and the information available in the public domain, our PRC Legal Adviser is of the view that since our listing on the Shanghai Stock Exchange STAR Market and up to the Latest Practicable Date, there have been no material violations of the applicable rules of the Shanghai Stock Exchange STAR Market or other applicable securities laws and regulations of the PRC. Based on the independent due diligence conducted by the Sponsors and our PRC Legal Adviser's view above, nothing has come to the Sponsors' attention that would cause them to cast reasonable doubt on our Directors' confirmation with regard to the compliance record of the Company on the Shanghai Stock Exchange STAR Market in any material respect.

Our Company seeks the listing of the H Shares on the Hong Kong Stock Exchange as it will facilitate the Company to expand its global strategic presence, continuously attract and gather outstanding R&D and management talents, enhance overseas financing capabilities, and further improve our Company's core competitiveness. The Listing will provide an additional fundraising platform for our Company to expand its investor base and gain access to international capital for expansion and development of our business. For more details in relation to the use of the net proceeds from the Global Offering, see "Business — Our Growth Strategies" and "Future Plans and Use of Proceeds" in this Prospectus.

EMPLOYEE INCENTIVE PLANS

As at the Latest Practicable Date, our Company has adopted the Employee Incentive Plans. No restricted Shares under the Employee Incentive Plans will be further granted after the Listing and all granted restricted Shares have been granted to specified individuals under the Employee Incentive Plans. For details, see "Appendix V — Statutory and General Information — Employee Incentive Plans."

SHORT SELLING REPORTS IN 2014

In February 2014, Gravity Research Group (it was noted that Gravity Research Group had ceased to be operative^(Note)), issued two short selling reports alleging that, among other things, Montage Group had been fabricating revenue in certain of its published financial disclosures between the year ended December 2012 and the nine months ended September 30, 2013.

The Company reiterates that the allegations found in the short selling reports are unsubstantiated, groundless and inaccurate. In particular, in October 2014, the then audit committee of Montage Group, after investigative procedures and extensive review of relevant facts and materials, and with the assistance of legal advisers and forensic accountants who in aggregate incurred 11,500 hours of work, noted that, based on various investigative procedures, including analyzing the majority of Montage Group's cash, cash equivalents, and short-term investment balances with its financial institutions at various points in time, analyzing the majority of Montage Group's revenue and gross margins, and written confirmations and in-person site visits with selected participants in the manufacturing and supply chain and the distribution and sales channel: (i) the cash, cash equivalents, and short-term investments reflected in Montage Group's records and/or publicly reported by the Montage Group as of December 2011, 2012, and 2013 appear to be materially accurate; (ii) no significant variances have been identified with respect to Montage Group's reported revenue for years 2011, 2012, and 2013; and (iii) Montage Group's gross margins for years 2011, 2012 and 2013 appear reasonable. Accordingly, the then audit committee of Montage Group publicly concluded that no changes to the Montage Group's reported unaudited financial results are required. Further, there was no enquiry or investigation whatsoever by any U.S. regulatory authorities in respect of the allegations raised in these short selling reports. To facilitate the investigation by the then audit committee, Montage Group did not timely file certain financial reports within the specified time frame pending finalization of the relevant investigation report.

In connection with the aforementioned short selling reports, between February 2014 and May 2014, there were several class actions filed in the United States against Montage Group and certain members of its then senior management team, alleging that, among other things, the subject matter of the short selling reports had caused investments losses to the claimants who were shareholders of Montage Group at the material time. These class actions were consolidated for settlement by Montage Group's then insurance carrier for good for US\$7.25 million in December 2017, (i) without any of the foregoing individuals or Montage Group acknowledging any wrongdoing whatsoever, and (ii) all the then shareholders of Montage Group were bound by the release in the settlement agreement of the class actions and are barred from bringing any further claim against Montage Group (including, among others, its officers, directors, and employees).

Note: As of the Latest Practicable Date, the alleged corporate website of Gravity Research Group (www.gravityresearchgroup.com) initially publishing the short selling reports in question is not accessible.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Based on the due diligence work conducted by the Joint Sponsors, nothing has come to the Joint Sponsors' attention that would reasonably cause them to cast doubt on the view of the Company mentioned above.

PUBLIC FLOAT

Upon Listing, to the best knowledge of the Company, a total number of 4,361,066 A Shares, representing approximately 0.36% of our Company's total issued Shares, held by Dr. Howard C. Yang, Mr. Stephen Tai and Ms. Fang Zhoujie will not be considered as part of the public float since they will be considered as our Company's core connected persons (as defined under the Listing Rules).

Rule 8.08(1) (as amended and replaced by 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.

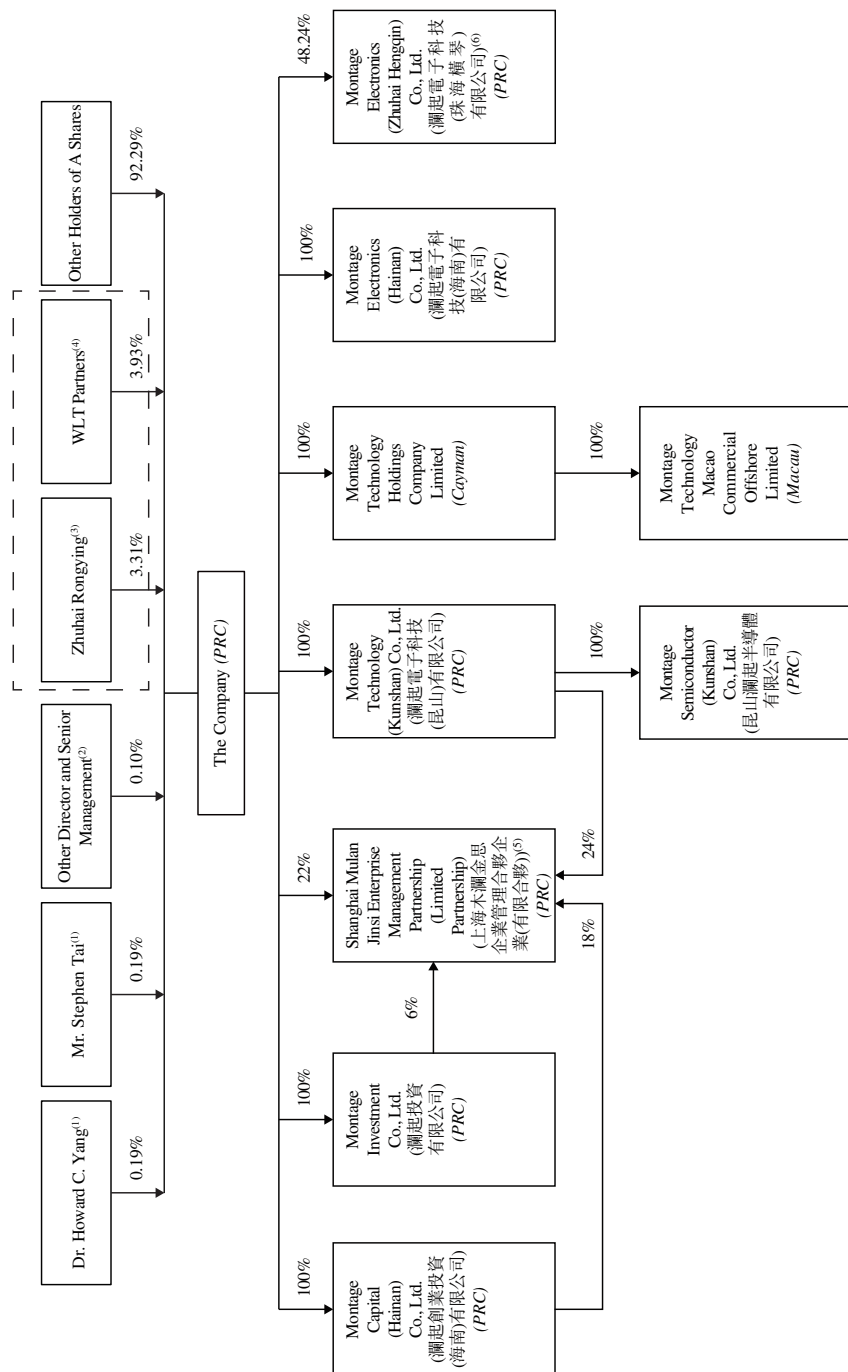
It is expected that upon Listing (assuming the Over-allotment Option is not exercised and no additional Shares are issued pursuant to the Employee Incentive Plans), based on the maximum Offer Price of HK\$106.89 per H Share, the market value of the H Shares that are held by the public is approximately HK\$7,042.98 million, which is higher than the prescribed market value of the H Shares required to be held by the public of HK\$3 billion under Rule 19A.13A(2) of the Listing Rules, thereby satisfying Rule 8.08(1) (as amended and replaced by Rule 19A.13A) of the Listing Rules.

FREE FLOAT

Rule 8.08A (as amended and replaced by 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. The Company will satisfy the free float requirement under Rule 8.08A (as amended and replaced by Rule 19A.13C) of the Listing Rules.

OUR CORPORATE STRUCTURE IMMEDIATELY PRIOR TO THE GLOBAL OFFERING

Below is a simplified diagram illustrating our corporate structure immediately prior to the Global Offering. Certain entities that are immaterial to our Group's results of operations, business and financial condition are omitted:

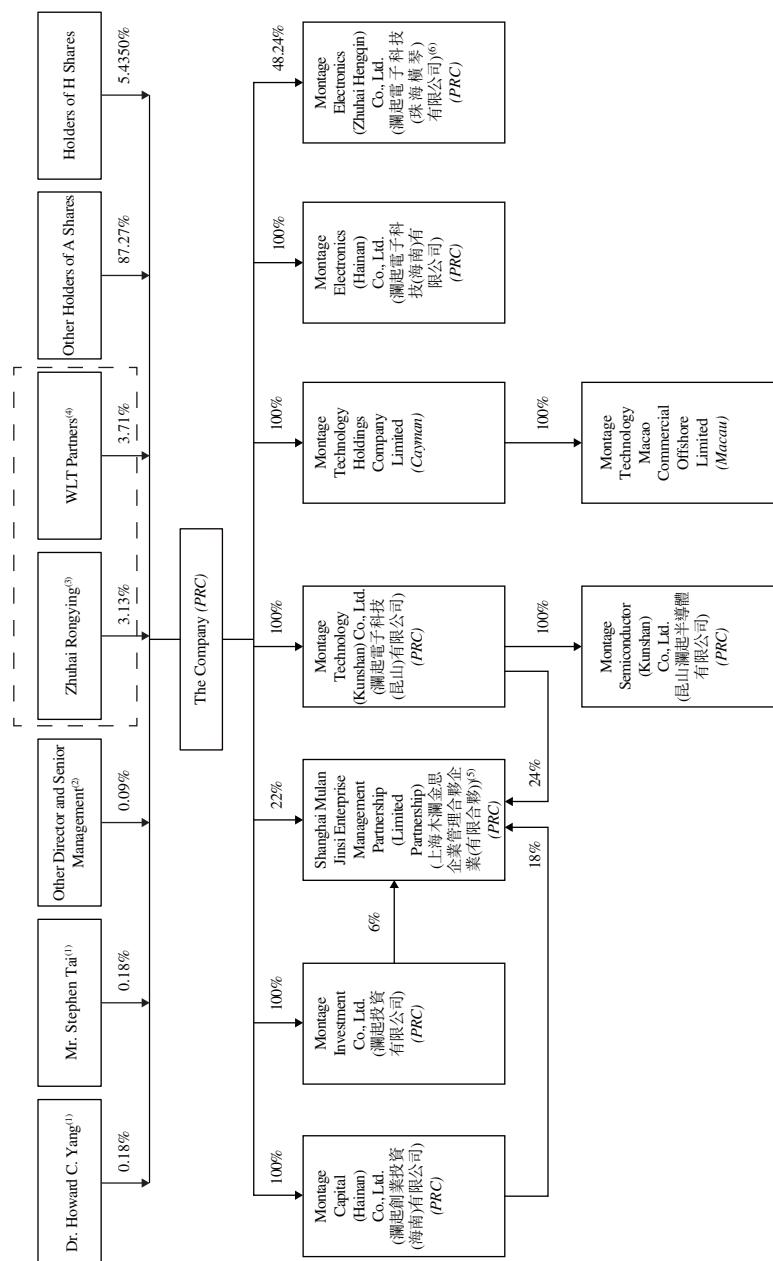


Notes:

- (1) Immediately prior to the Global Offering, each of Dr. Howard C. Yang and Mr. Stephen Tai directly held 2,180,000 and 2,180,000 A Shares, respectively. For details of the holding of interests by Dr. Howard C. Yang and Mr. Stephen Tai in our Company for the purpose of the SFO, see “Substantial Shareholders” and “Appendix V Statutory and General Information — Interests of our Directors and chief executive in the Company and our associated corporations.”
- (2) Immediately prior to the Global Offering, Ms. Fang Zhoujie, a non-executive Director, Ms. Su Lin and Ms. Fu Xiao, each a member of the senior management, held 1,066 A Shares, 1,068,707 A Shares, and 72,240 A Shares, respectively.
- (3) Zhuhai Rongying is a Concert Party. For details of Zhuhai Rongying’s shareholding structure, see “Substantial Shareholders.”
- (4) WLT Partners is a Concert Party. For details of WLT Partners’ shareholding structure, see “Substantial Shareholders.”
- (5) Immediately prior to the Global Offering, the remaining 30% of shares in Shanghai Mulan Jinsi Enterprise Management Partnership (Limited Partnership) (上海木瀾金思企業管理合夥企業(有限合夥)) was held by Shanghai Mulan Phase I Private Fund Partnership (Limited Partner) (上海木瀾一期私募基金合夥企業(有限合夥)), an Independent Third Party.
- (6) Immediately prior to the Global Offering, Montage Electronics (Zhuhai Hengqin) Co., Ltd. (瀾起電子科技(珠海橫琴)有限公司) was held as to (i) 48.24% by our Company; (ii) 26.74% by Zhuhai Hengqin Yushan Investment Partnership (Limited Partnership) (珠海橫琴漁山投資合夥企業(有限合夥)), an Independent Third Party; (iii) 4.98% by ALBERTI HOLDINGS (HONG KONG) LIMITED, which was wholly owned by Dr. Howard C. Yang; (iv) 4.98% by Xi Yu Holdings Limited, which was wholly owned by Mr. Stephen Tai; and (v) 15.06% by Shanghai Chengxi Mosuo Enterprise Management Partnership (Limited Partnership) (上海橙溪模梭企業管理合夥企業(有限合夥)), an Independent Third Party.
- (7) Save as disclosed in the diagram above, we had a total of 21 subsidiaries.

OUR CORPORATE STRUCTURE IMMEDIATELY FOLLOWING THE COMPLETION OF THE GLOBAL OFFERING

Below is a simplified diagram illustrating our corporate structure immediately following the completing of the Global Offering, assuming that the Over-allotment Option is not exercised, no new Shares are issued under the Employee Incentive Plans, and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing Date. Certain entities that are immaterial to our Group's results of operations, business and financial condition are omitted:



Note:

(1) to (7): Please refer to “Our Corporate Structure immediately prior to the Global Offering” above for details.

WHO WE ARE

We are a leading global fabless IC design company dedicated to providing innovative, reliable and power-efficient interconnect solutions for cloud computing and AI infrastructure.

Leading Industry Positions	Pioneering Connectivity Solutions	Robust Financial Performance
No.1 global memory interconnect chip supplier, with 36.8% market share by revenue in 2024 ¹	1st CXL MXC delivered in the world ¹	RMB4.1Bn Revenue in 9M 2025, 57.8% YoY growth
No. 2 PCIe Retimer supplier globally by revenue in 2024; with in-house SerDes IP ¹	1 of 2 MRCD/MDB suppliers capable of supplying DDR5 Gen1 MRCD/MDB chips globally ¹	61.5% Gross Margin 52.0% Adj. Net Profit Margin² in 9M 2025
Board Member of JEDEC spec owner of DDR5 RCD, MDB and CKD, leading the development of industry standards	1st CKD supplier to deliver and trial produce DDR5 CKD chips globally ¹	RMB1.6Bn Net Operating Cash Flow in 9M 2025, consistent with net profit

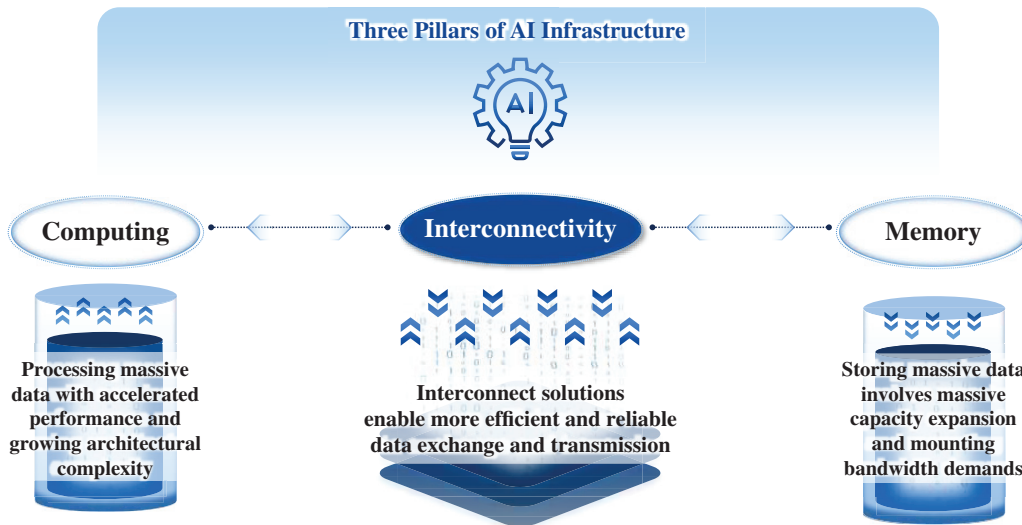
Note:

1. According to Frost & Sullivan
2. Profit for the periods adjusted by adding back (i) share-based payments, and (ii) listing expenses, which relate to the Global Offering.

Our business was founded with a strong focus on innovation. We strive to address challenges in data exchange and transmission, making data interconnection more efficient and reliable. This strategic goal, combined with ongoing significant R&D investment, has enabled us to establish and maintain our market leadership within the memory interface chips field in the DDR4 and DDR5 eras and beyond. We are expanding our expertise into the PCIe/CXL interconnect domains and novel interconnect chips, further strengthening our leadership position.

Interconnectivity plays an increasingly vital role in data transmission with the evolvement of modern data infrastructure. In the era of Moore’s Law, the rapid advancement of CPUs created an imbalance across devices, particularly between processors and memory. This disparity led to an industry challenge, namely the “Memory Wall” — the gap between processor speed and memory bandwidth, where the rate of improvement in processor performance outpaces the rate of improvement in memory performance. Memory interface chips emerged as critical interconnect solutions to overcome this bottleneck, enabling memory to keep pace with computing and unlocking maximum system performance.

In the age of AI, the Scaling Law highlights the strong correlation between the model performance and three key factors including the volume of training data, model size and computational load (FLOPs). This relationship drives the need for a data-centric infrastructure capable of managing unprecedented volumes of data with high quality and overcoming the discrepancy between processor speed and memory bandwidth, while at increasingly faster transfer rates and across a new, heterogeneous system architecture. This architecture is no longer centered solely around CPUs but now includes GPUs and a range of interconnected devices in increasingly complex configurations. In addition, it has reshaped system design around three pillars: computing, memory and interconnectivity, each playing a vital role in the age of AI. Among these three pillars, interconnect has become a cornerstone of system functionality, enabling seamless communication and coordination among various components. The importance of interconnect is expected to continue to grow, as it underpins the efficiency, reliability, low-latency and scalability of data-centric systems.



Interconnect requires comprehensive solutions that not only address data movement to and from memory but also enable seamless communication across the entire system infrastructure within servers, between servers at the rack level, and across clusters. This demand has driven the ongoing evolution of memory interface technologies alongside the latest advancements in PCIe/CXL, Ethernet and optical interconnects, ensuring efficient and scalable data transfer across diverse system architectures.

Based on open industry standards, our interconnect solutions, mainly comprised of memory interconnect chips and PCIe/CXL interconnect chips as well as accompanying software and technical support services, effectively addresses interconnect bottlenecks while enhancing data rate/bandwidth, reliability, and power efficiency across various systems such as processors and memory modules. They realize such functions by supporting multiple standardized communication protocols. Interconnect solutions facilitate accurate and efficient data transfer, supporting overall system performance and stability. We provide a full range of DDR2 to DDR5 memory interface chips together with DDR5 supporting chips including SPD

(Serial Presence Detect), TS (Temperature Sensor), and PMIC (Power Management Integrated Circuit) chips. Our DDR5 memory interface chips are critical interconnect components between CPUs and DRAM modules in servers, enabling high-speed data transfer and stability. Our newly-launched interconnect chips, including MRCD/MDB, CKD (Clock Driver), PCIe Retimer, and CXL MXC (Memory eXpander Controller), are designed to further enhance data transfer reliability and efficiency in AI servers and PCs.

With over two decades of expertise and a dedicated focus on solving interconnect challenges in data transmission, we have emerged as the largest memory interconnect chip supplier in the world, with 36.8% market share in terms of revenue in 2024, according to Frost & Sullivan. Designed for optimal performance, bandwidth and reliability, our DDR memory interface chips and supporting chips are engineered to accelerate data transfer speeds and ensure consistent performance for enterprise and cloud servers. The memory interconnect industry inherently features high entry barriers in R&D capabilities and technological expertise. For new entrants, it would require years of intensive R&D to catch up with the latest industry standards and generational advancements. In the memory interconnect domain, by shaping and leading industry standards, we have secured a critical first-mover advantage. As the creator of “1+9” distributed buffered memory sub-system architecture in DDR4 generation and a pioneer in the DDR5 generation, we actively contribute as a board member of JEDEC, the global microelectronics industry standardization organization, and the spec owner of DDR5 RCD, MDB and CKD chips. Today, our memory interconnect chips are deployed worldwide as industry-standard products and serve as essential components in cloud computing and AI infrastructure.

Building on our technological expertise and know-hows in interconnect solutions, we have also developed innovative technologies such as high-speed SerDes serial interfaces and expanded into the PCIe and CXL high-speed interconnect domains, adhering to standards and specifications set by PCI-SIG and CXL Consortium. Our products are developed based on open industry standards. According to Frost & Sullivan, we are one of the two global major PCIe Retimer providers, and were the first to launch CXL MXC chips. We intend to enhance our portfolio by developing and expanding innovative solutions in Ethernet and optical interconnection, further broadening our technological capabilities.

We recorded revenue of RMB3,672.3 million, RMB2,285.7 million, RMB3,638.9 million and RMB4,057.7 million in 2022, 2023, 2024, and the nine months ended September 30, 2025, respectively. Our newly launched interconnect chips including PCIe Retimer, MRCD/MDB and CKD generated revenue of RMB422.5 million in 2024, an 8-fold increase as compared to 2023. Additionally, we have maintained a robust margin profile, supported by continuous product innovation. Our overall gross profit margin were 46.4%, 58.9%, 58.1%, 58.1% and 61.5% in 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively. Our long-standing partnerships with customers and ecosystem collaborators have been instrumental in driving sustained growth and profitability, strengthening our leading position in the industry.

MARKET TAILWINDS

Driven by unprecedented data exchange volumes, accelerating transmission rates and increasing complexity in interconnect systems, the critical role of interconnect solutions has become increasingly evident. Their efficiency now directly impacts the performance and reliability of data-centric infrastructures.

The growing demand for computing power and data transmission to and from memory has accelerated the evolution of memory interface chips, driving continuous technological advancements across generations. As the data transmission speeds rise, demands for interconnect chips with enhanced features, such as MRCD/MDB and CKD, continue to grow. This heightened demand places greater emphasis on product performance, elevating the value of these solutions. Memory interface technology has been constantly evolving in tandem with the rapid progress of AI technologies, driving an accelerated innovation cycle in DDR5 and upcoming DDR6. Historically, each intergenerational cycle has spanned roughly a decade, driving sustained innovation and expanding market opportunities, according to Frost & Sullivan.

Driven by the exponential growth of data generation, faster transfer rates and increasingly complex network architecture, the evolving market is fueling a rising adoption rate of interconnect chip products. This growth is further accelerated by the industry's rapid adoption of advanced interconnect protocols, such as PCIe and CXL, along with the demand for innovative interconnect chips to support more advanced system configurations.

We operate within a rapidly expanding market, bolstered by strong secular tailwinds across downstream application industries. Within this vast and growing ecosystem, our solutions are strategically positioned to address the critical interconnect market, a cornerstone for enabling cloud computing, data centers, and AI infrastructure. According to Frost & Sullivan, size of the memory interconnect chips market is expected to grow significantly from US\$1.2 billion in 2024 to US\$5.0 billion in 2030, with a CAGR of 27.4%; size of the PCIe and CXL interconnect chips market is expected to grow from US\$2.3 billion in 2024 to US\$9.5 billion in 2030, with a CAGR of 26.7%. We specialize in delivering innovative, reliable and power-efficient interconnect solutions. As data volume continue to grow exponentially, we anticipate a rising demand for our products driven by increasing speed requirements. Furthermore, we plan to continue expanding our portfolio with new offerings in Ethernet and optical interconnect that will enhance our capabilities and address a broader segment of the interconnect chips market.

OUR COMPETITIVE STRENGTHS

With more than 20 years of experience in the development and innovation of interconnect solutions, we have firmly established leadership position in the industry, providing innovative, reliable and power-efficient interconnect solutions to renowned customers across the globe.

We are an innovator in interconnect solutions with proven capabilities

According to Frost & Sullivan, we are the world's largest memory interconnect chip supplier, with 36.8% market share in terms of revenue in 2024. We are also one of the world's few major suppliers capable of providing a full spectrum of full/half buffered DDR2 to DDR5 memory interface solutions.

As a pioneer in developing innovative interconnect chips, we have developed and deployed a variety of differentiated products for the downstream applications of cloud computing and AI infrastructure. We are:

- One of the world's two companies capable of supplying both DDR5 Gen 1.0 and Gen 2.0 MRCD/MDB chips which enables high bandwidth memory interconnect solutions for cloud computing and AI infrastructure, with industry-leading technical metrics and power efficiency;
- The first in the industry to deliver and trial produce DDR5 CKD chips, which are required in PC memory module when the data rates reach 6400MT/s and above;
- The world's second ranked PCIe Retimer in terms of market share which enables high quality signal transmission between CPUs and high speed peripherals such as GPUs, SSDs and NICs; and
- The supplier of the world's first CXL MXC product, which allows for significant scaling of memory capacity and bandwidth for data intensive applications such as memory expansion and pooling.

We lead the industry in establishing standards and transitioning to new norms

As an active JEDEC board member with three committee chair level positions, we play a critical role in shaping and establishing international standards for memory interconnects. We are the spec owner of DDR5 RCD, MDB and CKD chips, driving the innovation and migration of memory interface technologies. Leveraging the profound expertise in memory interconnect, we have expanded into other high-speed interconnect domains and become a member of international consortia such as PCI-SIG, CXL Consortium and UALink Consortium.

We are the leader of the DDR5 spec migration, driving the memory interface chip sub-generation upgrade and the development of next-generation MRCD/MDB/CKD chips. According to Frost & Sullivan, we were the first in the industry to start trial production of Gen 2 and Gen 3 DDR5 RCD chips. With each successful sub-generation upgrade, we deliver products that offer significant, measurable improvements to our customers. These advancements support higher initial pricing and enable us to maintain our profit margins.

In the memory interconnect domain, by shaping and leading industry standards, we have secured a critical first-mover advantage. The industry inherently features high entry barriers in R&D capabilities and technological expertise. For new entrants, it would require years of intensive R&D to catch up with the latest industry standards, generational advancements, and rigorous product verification and qualification processes. Our ability to deliver state-of-the-art solutions at the high specifications for each product generation has enabled us consistently capture market share, solidifying our leading position in the industry.

We have established long-term relationship with key partners in the ecosystem

With over two decades of in-depth experience and a consistent track record in the interconnect solutions industry, we have established a strong reputation as a trusted and reliable partner in the industry, enabling us to build and maintain strategic relationships with some of the world's most renowned companies across the AI infrastructure ecosystem, including memory module suppliers, server OEM/ODMs, CPU and GPU vendors, and cloud service providers.

Our customers include globally leading DRAM suppliers, including Samsung Electronics, SK Hynix and Micron, which collectively account for more than 90% market share of the global server DRAM industry in 2024, according to Frost & Sullivan. Our interconnect chip products are widely adopted by mainstream server OEM/ODMs whose downstream customers are cloud computing and other cloud service providers. We have proven to be a trusted supplier of our customers. Over the years, we have consistently received Supplier Excellence Awards from our major customers including SK Hynix, Samsung Electronics and Micron. Our long-standing customer relationships have solidified our industry position. The performance and reliability of interconnect solutions are critical to servers and AI infrastructure. Therefore, our long-standing, proven partnerships with top-tier global industry players serve as a key decision factor for our customers. Our strong track record of delivering exceptional product performance with power efficiency, superior product yield, and outstanding quality is highly valued by our customers. From 2022 to 2024, we achieved a customer satisfaction score exceeding 90 (out of 100), according to our survey with customers.

We have established long-term partnership with world-leading CPU and GPU makers such as Intel and AMD, with whom we cooperate closely to develop next-generation interconnect products for cloud computing and AI infrastructure. Within our global supply chain, we have partnered with leading IC foundries, packaging and testing service providers around the world to produce and deliver products that meet the high quality standards for our customers.

We have maintained a global presence with branches and offices in Asia and North America, where our local teams are in direct contacts with customers and leading global players along the value chain of interconnect solutions, closely tracking the evolving customer demand and innovation trends arising from the development of next-generation cloud computing and AI infrastructure. Our deep engagement with clients and partners across global markets empowers us to lead industry innovation and stay at the forefront of the industry.

With a strategic focus on interconnect solutions, we have built a comprehensive product portfolio to meet the rapidly growing industry demand

The rapid evolution of data computing and infrastructure is driving the exponential growth in high-speed data connect and exchange within increasingly complex systems, necessitating revolutionary advances in interconnect bandwidth, latency optimization, and power-efficient data movement. We have strategically focused on interconnect solutions, with a dedication on making data transmission more efficient and reliable for our customers. Our key products, comprised of memory interface chips and innovative interconnect chips, are built from the ground up to tackle the interconnect bottlenecks.

With our strategic focus on interconnect solutions and comprehensive product portfolio, we are uniquely positioned to capitalize on the increasing demand of interconnect solutions. Specifically, our proven expertise in memory interconnect solutions, including DDR5 RCD, MRCD/MDB and CKD, has well positioned us to address the increasing demand for advanced and innovative memory interconnects. Our PCIe Retimer and CXL MXC products enable us to meet the growing need for high-speed, scalable and cost-efficient interconnect solutions essential to the next-generation data infrastructure by overcoming signal integrity bottlenecks and optimizing resource utilization in data centers. We are also actively expanding our product portfolio to deploy next-generation interconnect products with substantial potential including PCIe Switch, Ethernet and optical interconnect solutions, which could allow us to capture future market.

Through extensive R&D and continuous innovation, we have built a competitive moat leveraging proprietary technologies and industry insights

With years of dedicated R&D, we have built a strong technology foundation and a robust R&D platform, enabling us to consistently deliver solutions that drive the industry standards.

We have established a proprietary IC design platform which consists of highly integrated product design, superior performance and strong power efficiency. Our proprietary technology platform consolidates and utilizes our in-house developed technologies in data signal processing, memory management and data buffering, circuit design for analog, high-speed logic and interface circuits, low-jitter clock design, as well as low-power design.

In particular, we have the following core technologies:

- ***Memory interface technologies:*** Our continuous technological breakthroughs in developing memory interface solutions have strengthened our market leadership. In the DDR4 generation, our “1+9” distributed buffered memory sub-system architecture marked a breakthrough from the centralized architecture design in the DDR2/DDR3 generation. In the DDR5 generation, we continue to upgrade our solutions to meet the novel requirements under DDR5. For example, we innovated the design of circuits and algorithm to address the signal integrity problem under DDR5, and created new technologies such as adaptive power management and dynamic clock distribution to lower power consumption.

- ***High-speed SerDes technology:*** SerDes is an important foundational technology in the high-speed interconnect area. Our breakthroughs in the R&D of SerDes technology have laid solid foundation for our new product developments, including the commercialized PCIe Retimer and the PCIe Switch, which is currently under development. Our in-house developed SerDes IPs, supporting data rates of 32GT/s and 64GT/s, have been successfully applied in PCIe 5.0/CXL 2.0 Retimer and PCIe 6.x/CXL 3.x Retimer, respectively, making us the world's No. 2 PCIe Retimer suppliers in terms of revenue in 2024 and one of the world's few players capable of commercializing PCIe Retimer leveraging in-house developed SerDes technology. Our in-house-developed SerDes technology enables us to deliver products with a high level of integration, offering our customers superior technical metrics such as enhanced channel adaptability and low latency.

Our core technologies are founded on proprietary intellectual property and supported by a strategically-planned patent portfolio. As of September 30, 2025, we owned 207 invention patents globally.

Since our inception, a commitment to R&D and an innovation-driven ethos has been at the heart of our business. We recognize R&D talent as our most valuable asset, and have invested consistently in the recruiting, training and the retention of our top-tier talents. Over the years, we have trained hundreds of engineers in high-speed, low-power interconnects and digital-analog mixed circuit design, establishing a robust talent pool that serves as the foundation for our ongoing innovation and technological leadership. As of September 30, 2025, we had 576 R&D personnel, accounting for approximately 74% of our total headcount, and about 64% of our R&D team held a master degree or above.

Our R&D and innovation-driven culture has been integral to our success, serving as the cornerstone of our achievements and the driving force behind our exceptional performance. We were awarded the title “National Intellectual Advantage Enterprise” by China National Intellectual Property Administration in 2022, and the title “2023 Top 50 Most Innovative Companies” by Forbes China in 2023.

We are led by a visionary and seasoned management team

Our senior management team comprises seasoned and visionary leaders with deep expertise in the innovation and development of interconnect solutions. Our co-founders Dr. Howard C. Yang and Mr. Stephen Tai possess in-depth experience in the design and R&D of IC, and each of them has over 30 years of experience in the industry.

Prior to co-founding Montage Technology in 2004, Dr. Yang founded Newave Technology (Shanghai) Co., Ltd., a company mainly engaged in the design of integrated circuit which was later merged into Integrated Device Technology, Inc. Dr. Yang was elected as Fellow of the Institute of Electrical and Electronics Engineers (IEEE) in 2010, and elevated to IEEE Life Fellow in 2023. Dr. Yang has received numerous awards, including the IEEE CAS Pioneer Award, the JEDEC Outstanding Leadership Award, the Magnolia Gold Award, etc.

Our co-founder Mr. Tai has extensive experience in engineering design, research and development, and corporate management. Before co-founding our Company, Mr. Tai participated in the founding of Marvell Technology Group and served as the director of engineering and research and development thereof, where he was responsible for leading the research and development of key products, including hard disk read channel, Ethernet Gigabit PHY, and Wi-Fi technologies. Mr. Tai is recognized with the Shanghai Magnolia Gold Award.

In addition, most of our core management team graduated from well-known universities at home and abroad, with extensive experience in R&D, marketing and sales, engineering management and other areas.

Under the leadership of our seasoned management team, we have delivered exceptional operational and financial performance. Over the past five years (2019-2024), our revenue has more than doubled. We achieved a robust adjusted net profit margin (Non-IFRS measure) of 52.0% for the nine months ended September 30, 2025.

OUR GROWTH STRATEGIES

With a focus on interconnect semiconductor solutions, we are dedicated to addressing connectivity bottlenecks in cloud computing and AI infrastructure to make data transfer more efficient and reliable.

Focus on R&D innovation to enrich our product portfolio and expand business footprints

We will continue to focus on developing industry-leading interconnect solutions through rigorous R&D. We seek to further enrich our product portfolio and expand our business footprint, enabling us to deliver a wide range of innovative interconnect chip solutions with synergistic competitiveness. These solutions will support more efficient and stable data transmission for cloud computing and AI infrastructure, thus laying a solid foundation for the sustained expansion of our business in the era of AI. To achieve these strategic initiatives, we will primarily advance our business expansion along three key dimensions:

- ***Memory Interconnect:*** We will continue to invest in DDR memory interface product upgrading, enhancing their performance and quality while driving technological innovation for next-generation industry products such as MRCD/MDB and CKD chips. We seek to address market demand for memory interconnect chip solutions with enhanced data transfer speed, reliability and efficiency, further strengthening our technological and market leadership in the memory interconnect sector.
- ***PCIe/CXL Interconnect:*** We will continue to enhance our R&D efforts in core fundamental technologies, including SerDes, to drive the evolution of PCIe/CXL Retimer and CXL MXC products while actively capturing market share. Leveraging our in-house developed SerDes technology, we are developing new product lines such as PCIe Switch, providing customers with a comprehensive set of PCIe and CXL interconnect chip solutions, further strengthening our leadership position in the industry.

- ***Ethernet and Optical Interconnect:*** We plan to leverage our extensive technological expertise in the memory interconnect and PCIe/CXL interconnect domains to further explore novel markets aligned with our strategic goals. By employing flexible approaches of R&D, partnerships, and/or investment, we plan to expand our product portfolio to the field of Ethernet and optical interconnect, injecting new momentum into our business growth.

Continue to adopt a talent-centric approach to advance strategic development and management efficiency

We aim to attract top-tier R&D and management talent to build world-class teams with global vision and strong system-level engineering capabilities. This talent strategy is not only a critical pillar for maintaining our technological leadership and enhancing global competitiveness but also the fundamental driving force behind our long-term sustainable growth.

As our business operations continue to expand, we place an even greater emphasis on the strategic value of our talent. On the one hand, we will focus on attracting top-tier talent, particularly strengthening our R&D team. We plan to utilize various channels including expert referral networks and campus recruitment to precisely reach and engage top-tier candidates. On the other hand, we plan to implement talent incentive programs to unlock employee potential, fostering a dynamic and collaborative work environment and cultivating R&D talent with technological creativity and team spirit. We aim to build a robust talent moat that supports our long-term growth.

Maintain technological and market leadership, and drive collaborative developments in the global interconnect chip industry

We will continue to drive the development and refinement of technical standards and ecosystems for the interconnect chip industry. Our high-speed interconnect chips adhere to the industry standards defined by international standardization organizations and/or align with the specifications and frameworks of industry alliances. We will continue to actively participate in various international standards organizations and industry alliances, collaborating closely with global industry partners. We are committed to deeply engaging in the development of relevant product industry standards, exploring new advancements and innovation directions in high-speed interconnect technology, and driving technological innovation and the evolution of the industry ecosystem. Leveraging these emerging technical standards and directions, we seek to develop a range of innovative interconnect chips with enhanced data transfer speed, reliability and efficiency. These products will play a key role in the AI era, enabling more efficient and reliable data transmission to help us maintain our technological and market leadership.

Meanwhile, we will partner with industry stakeholders to accelerate the adoption of cutting-edge technologies and new products. We will continue to deepen our strategic collaborations with industry partners, including CPU/GPU vendors, DRAM memory suppliers, cloud service providers (CSPs) and server OEM/ODMs to expedite customer validation and adoption of our new products. This engagement will broaden our business scope and customer reach, further solidifying our market leadership. Through a comprehensive product lifecycle quality management system and a robust customer service process, we will continue to deliver premium products and services to our customers. Furthermore, we will continue to strengthen collaboration with our suppliers, to enhance the stability and reliability of our supply chain.

Pursue investment, collaboration and M&A opportunities to strategically enhance our capacity for growth

We plan to pursue a dual growth strategy: driving organic high-quality growth through R&D, while leveraging our resources to actively explore strategic investments, collaborations and M&A opportunities aligned with our strategic goals. We will focus on identifying qualified targets in the interconnect sector and related fields, particularly those with strong technical expertise and unique competitive advantages in specialized segments. Through strategic investments and acquisitions, we plan to further enhance our technology capabilities and expand our product portfolio, broaden our addressable markets, and accelerate our growth.

OUR PRODUCT OFFERINGS

Overview

We are a leading global fabless IC design company dedicated to providing innovative, reliable and power-efficient IC interconnect solutions for cloud computing and AI infrastructure. With over 20 years of dedicated expertise in developing interconnect solutions, we have become a global leader in interconnect chip industry.

As a board member of JEDEC, the global microelectronics industry standardization organization, we have taken the lead in formulating international standards for DDR5 RCD, MDB, and CKD chips, driving innovation in memory interconnect technology. Building on our technological expertise in memory interface, we have successfully expanded into the PCIe and CXL high-speed interconnect domains, independently developing key foundational technologies such as high-speed SerDes serial interfaces and achieving industrial application of PCIe Retimer chips. As members of international standard organizations and industry consortia such as PCI-SIG, CXL Consortium, and UALink Consortium, we collaborate with global partners to build a technological ecosystem and drive continuous innovation in high-speed interconnect technology.

BUSINESS

We currently have two major product lines: interconnect chips and the Jintide products. Our interconnect chips primarily include memory interface chips, memory module supporting chips, PCIe/CXL interconnect chips and clock chips. Our Jintide products mainly consists of our Jintide CPU. The following chart provides an overview of our products along with their functions and applications.

	Key Protocols	Main Products	Function Introduction	Major Applications
Interconnect Chips				
Memory Interconnect Chips	DDR protocol	RCD, DB, MRCD, MDB, CKD	Serve as a pathway for server CPUs to access memory data, enhance the speed and stability of memory data access	Server and PC memory modules
		SPD, PMIC, TS	Memory module supporting chips that function as the communication center between the system master and the components on the memory module, provide power support for other chips on the memory module, and enable temperature monitoring of memory modules	
PCIe/CXL Interconnect Chips	PCIe/CXL protocol	PCIe Retimer	Mainly used to address signal issues in high-speed, long-distance transmission scenarios, such as timing misalignment, attenuation, and integrity degradation	Server
		CXL MXC	Facilitate memory pooling and memory expansion	Server
Jintide Products				
Jintide Products		Jintide CPU, etc.	Jintide CPU is an x86 architecture CPU with PrC (Pre-Check) or DSC (Dynamic Security Check) features	Server

Driven by our market leadership and technological innovations, our revenue were RMB3,672.3 million, RMB2,285.7 million, RMB3,638.9 million and RMB4,057.7 million in 2022, 2023 and 2024, and the nine months ended September 30, 2025, respectively. Specifically, our revenue generated from sales of interconnect products achieved RMB3,832.0 million for the nine months ended September 30, 2025, representing a 61.2% increase compared to the same period of 2024, with a gross margin of 64.8%. The Jintide products generated sales of RMB218.1 million for the nine months ended September 30, 2025, representing a growth of 17.9% from the same period of 2024.

During the Track Record Period, our customers include world's leading memory module manufacturers and server OEM/ODMs, who utilize our memory interconnect chips to address their critical needs for creating fast and reliable connections within their hardware solutions.

Interconnect Chips

Memory Interconnect Chips

Memory Interface Chips (RCD/DB, MRCD/MDB and CKD)

We provide a comprehensive set of industry-leading DDR2 to DDR5 memory interface products for the demands of cloud computing and data center markets.

Our memory interface products are founded on memory interface technologies, which act as high-speed bridges between processors and memory modules to realize faster and more reliable access to the computer's memory, so as to keep up with the increasingly higher demand in speed and capacity of CPUs. The development of these technologies closely follows the evolution of memory module standards set by the JEDEC. Among the most widely adopted standards is DDR SDRAM (Double Data Rate Synchronous Dynamic Random Access Memory), which improves data throughput by transferring data on both the rising and falling edges of the clock signal. Since the commercial launch of DDR1 around 2000, DDR standards have advanced significantly, with each new generation offering substantial improvements in data transfer speed, bandwidth, capacity, and power efficiency.

Currently, we are experiencing the industry's shift from DDR4 to DDR5, with DDR5 now becoming the mainstream standard, especially in server and high-throughput applications. DDR4, which became widely adopted in 2016, was available in several speed grades to meet diverse computing needs. DDR5 further delivered higher data rates, increased bandwidth, and greater power efficiency. JEDEC has already standardized multiple sub-generations of DDR5. From the perspective of revenue contribution, we are gradually shifting our focus from DDR4 to DDR5 products. For the nine months ended September 30, 2025, the majority of our memory interconnect revenue is generated from the sales of DDR5 memory interconnect chips. To accommodate higher transfer rates and emerging requirements, JEDEC has also defined new memory module architectures such as MRDIMM (for servers) and CUDIMM/CSODIMM (for desktops and laptops), and is developing standards related to DDR6.

Memory interface chips are the core components of server memory modules and serve as a pathway for server CPUs to access memory data. Their primary function is to optimize data transfer speeds, improve signal integrity, and ensure stability for the computing systems. These chips must be compatible with other components of memory modules produced by different manufacturers and undergo rigorous qualification processes from server CPU vendors and memory modules manufacturers before they can be deployed at scale in commercial applications.

I. RCD/DB

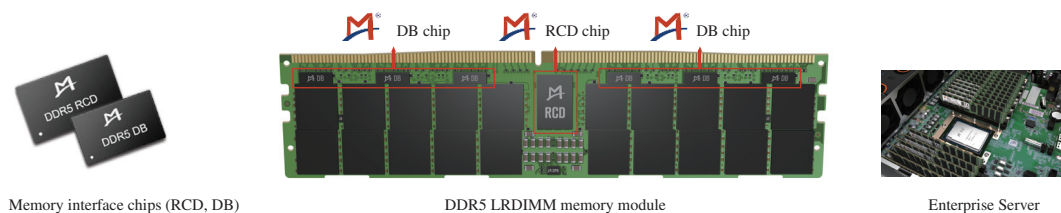
Typically, DDR4 and DDR5 memory interface chips used for RDIMM and LRDIMM can be divided into two types according to their functions: one is the RCD, which is used to buffer addresses, commands, clocks, and control signals from the memory controller; the second is the DB, which is used to buffer data signals from memory controllers or DRAM dies.

Leveraging our proprietary technologies, we have become a trustworthy supplier of JEDEC-standards-compliant and high-speed memory interface solutions for various server platforms. As JEDEC standards and memory technologies have evolved, we have successively introduced a comprehensive range of DDR2 to DDR5 memory interface chips. The memory module industry is currently transitioning from DDR4 to DDR5. Compared to DDR4, DDR5 offers higher data transfer speeds, greater memory capacity, improved power efficiency, and enhanced performance: DDR5 memory module operates at a lower voltage of 1.1V, making it more power-efficient. DDR5 Gen 4 data transfer rates reach 7,200 MT/s, which is more than two times of the maximum rate of DDR4.

We are at the forefront of the industry in terms of technological innovations. During the DDR4 generation, we innovatively adopted a distributed architecture consisting of one RCD chip and nine DB chips. This design significantly reduces the load effect between the CPU and DRAM chips, lowers signal transmission loss, and resolved the trade-off between high capacity and high speed in memory subsystems. This technical architecture was ultimately adopted by JEDEC and became the international standard for DDR4 LRDIMM, substantially enhancing the Company's international influence. In the DDR5 generation, the "1+9" architecture evolved into the "1+10" architecture, continuing to serve as the international standard for LRDIMM and has further developed into the international standard for a new type of high bandwidth memory module MRDIMM.

Our DDR5 memory interface chips are now widely deployed across global mainstream memory modules and servers, occupying a significant share of the global market. According to Frost & Sullivan, we are the world's largest memory interconnect chip suppliers, with 36.8% market share in terms of revenue in 2024. In the fourth quarter of 2024, we launched our DDR5 Gen 5 RCD chip, supporting data rates of up to 8,000MT/s, empowering the development of next-generation DDR5 memory modules.

The following diagram sets forth an illustration of the DDR5 LRDIMM memory module and the placement of our memory interface chips.



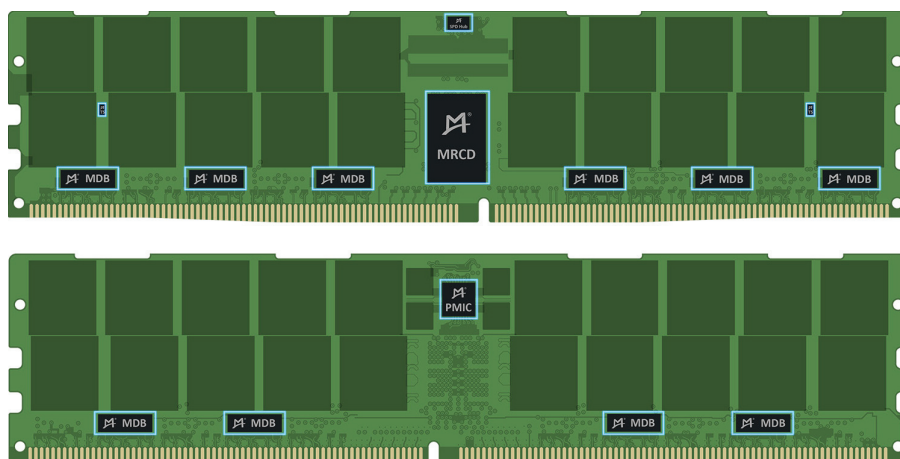
II. MRCD/MDB

The MRCD and MDB chips serve as core logic devices for a new type of high-bandwidth server memory modules — MRDIMM/MCRDIMM. MRCD chip is used to buffer addresses, commands, clocks, and control signals from the memory controller. MDB chip is used to buffer data signals from either the memory controller or DRAM chips. At standard data rates, the MDB chip allows simultaneous access to two DRAM arrays (whereas conventional RDIMMs can only access one array), thereby achieving double the bandwidth.

Our first-generation MRCD and MDB products support data rates of up to 8800MT/s, meeting the high memory bandwidth demands of applications such as cloud computing and AI infrastructure. According to Frost & Sullivan, we are one of the only two global suppliers who can mass produce first-generation MRCD and MDB chips, with significant advantages in key technical metrics such as power consumption. These advancements position us as a leader in the high-bandwidth memory module market.

In January 2025, we launched second-generation MRCD and MDB chips, which support a data rate of up to 12800MT/s, representing a 45% improvement compared to the first-generation products. This substantial performance boost addresses the growing demand for higher bandwidth in applications requiring high-speed and reliable computing. As the lead developer of the international standard for MDB chips, we drive innovation in this space to maintain our industry leadership in empowering next-generation memory solutions.

The following diagram sets forth an illustration of our MRCD and MDB chips and their positioning in a MRDIMM.

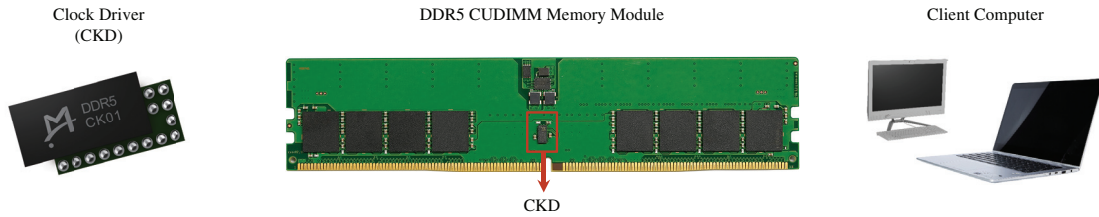


III. CKD

CKD is used in client memory module to buffer and re-drive clock signals in order to maintain the integrity and reliability of high-speed clock signals. Prior to the adoption of DDR5 memory module, the clock driving functionality was integrated into the RCD chip and primarily used in server memory modules. This feature was not deployed in client memory modules at the early stage of DDR5, such as those for PCs. However, as DDR5 data transfer rates continue to increase, the clock signal frequencies have also risen significantly, leading to growing challenges with signal integrity. According to the JEDEC standard, when DDR5 data rates reach 6400MT/s or higher, client memory modules will need to introduce a dedicated CKD chip.

DDR5 CKD chip is designed for the client memory modules to enhance the speed and stability of memory data access, matching the increasing CPU operating speed and performance. Our CKD chip is compliant with the JEDEC specification, and Gen 1 products support data rates up to 7200MT/s. It supports dual sideband bus addressing and I²C, I3C interfaces. By configuring register control words, the chip can adjust its output signal characteristics to match the network topology of different DIMMs, and unused output signals can be disabled to reduce power consumption.

The following diagram sets forth an illustration of our CKD chip and its positioning in a CUDIMM and application in a PC.

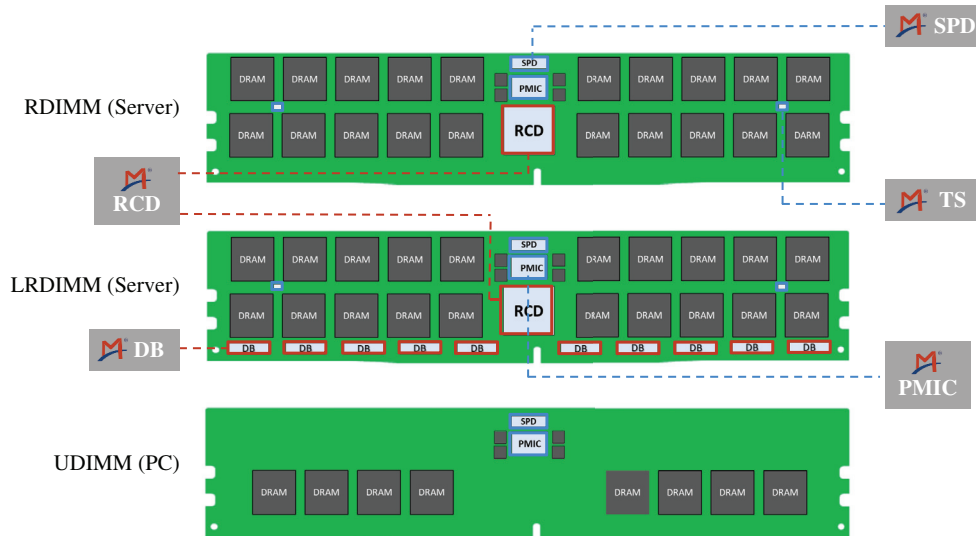


Memory Module Supporting Chips (SPD, TS and PMIC)

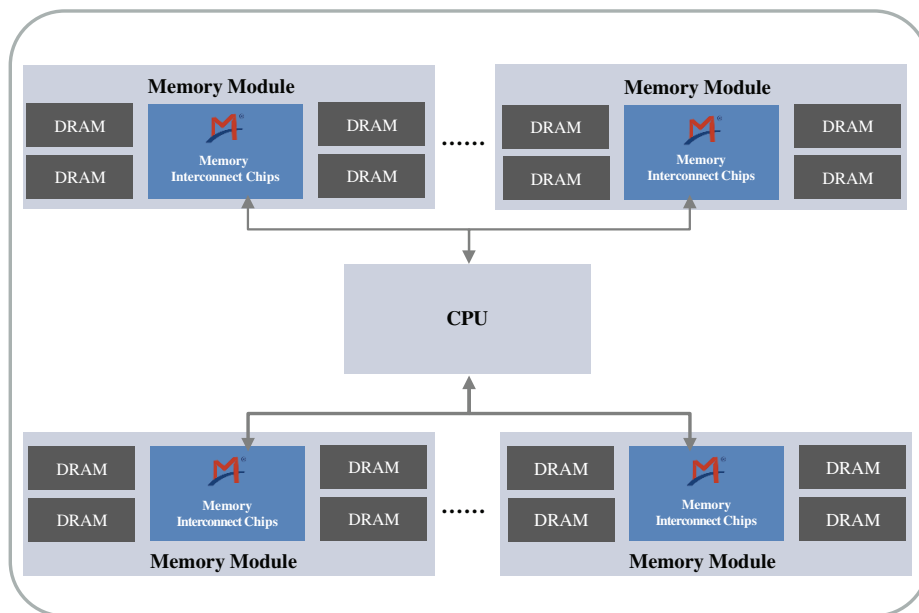
According to JEDEC standard, along with key memory interface chips, we have also rolled out supporting devices for DDR5 memory modules, including SPD, PMIC and TS. These devices deliver one-stop memory interface solutions with improved performance and greater capacity for servers and PCs based on their wide applications in DDR5 memory modules.

The SPD chip facilitates communication between the main control devices and other components, allowing the main control devices to efficiently exchange data with other components to ensure smooth operation and optimal performance. The TS chip monitors the temperature of the memory module, ensuring that the memory module operates reliably, even under heavy workloads or high-temperature conditions. The PMIC performs a primary function to provide stable and efficient power support to other components on the memory module.

The following diagram sets forth an illustration of our SPD, TS and PMIC products and their positioning in a typical memory module.



The following diagram illustrates how memory interconnect chips are connected to other components within a computer system.



PCIe/CXL Interconnect Chips

PCIe Retimer

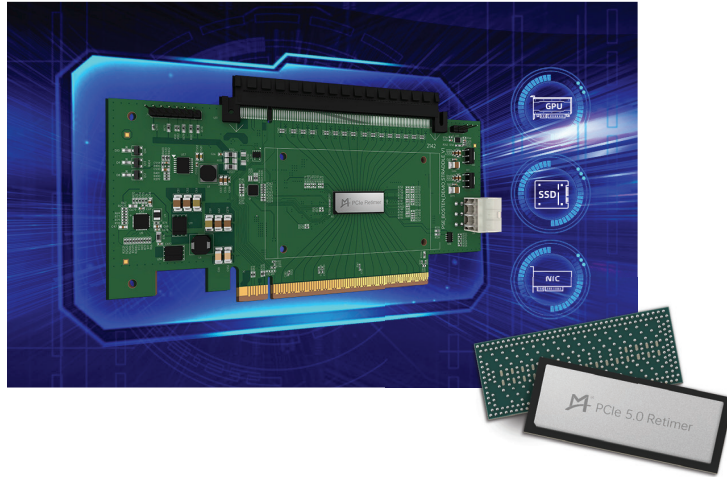
PCIe Retimer is an ultra-high-speed signal conditioning chip designed for the PCIe data transmission protocol. The protocol is a high-speed serial expansion bus standard that serves as a core technology for fast data interconnection in data centers and servers. Since its introduction in 2003, the evolution of PCIe from 1.0 (2.5GT/s), 2.0 (5GT/s), 3.0 (8 GT/s) to 4.0 (16 GT/s), 5.0 (32 GT/s), and now moving toward 6.0 (64 GT/s) and 7.0 (128 GT/s) has brought exponential increases in data transfer rates. This protocol has enabled the development of a wide range of chip products, such as PCIe Retimers and PCIe Switches, which enhance signal integrity and expand connectivity in complex computing environments. However, these advancements have also led to challenges, such as signal attenuation and reference clock timing issues, demanding for optimization of high-speed circuit and interconnect designs.

To address these challenges, our PCIe Retimer was developed to compensate for signal loss and enhance signal quality in ultra-high-speed data transmission. Our PCIe Retimer utilizes advanced signal conditioning technology, which compensates for channel losses and eliminates the effects of various jitter sources. This enhances signal integrity and extends the effective transmission distance of high-speed signals, providing a reliable and efficient PCIe interconnect solution for applications such as servers, storage devices, and hardware accelerators. A PCIe Retimer improves signal integrity and extends transmission distances by regenerating and equalizing high-speed signals between devices, ensuring reliable high-speed data communication.

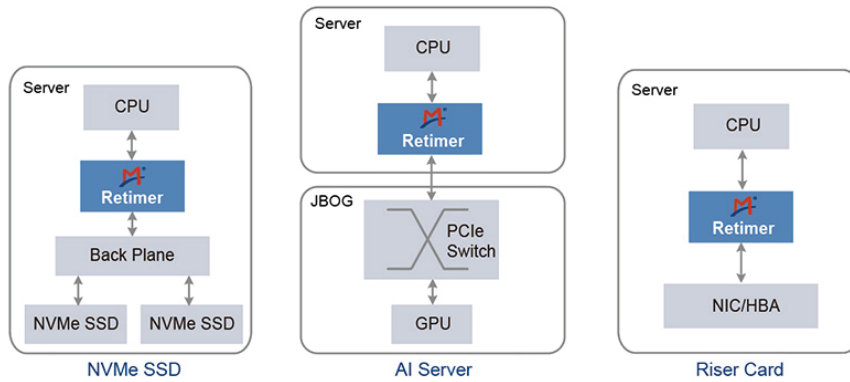
Our mass produced PCIe Retimer portfolio consists of a PCIe 4.0 Retimer and PCIe 5.0/CXL 2.0 Retimer. Our PCIe 4.0 Retimer complies with the PCIe 4.0 specification, supports a 16 GT/s transmission rate, and can compensate for up to 28 dB of channel loss. Our PCIe 5.0/CXL 2.0 Retimer meets the PCIe 5.0 and CXL 2.0 specifications, supports a 32 GT/s transmission rate, and compensates for up to 36 dB of channel loss. It is compatible with mainstream industry packaging standards, with outstanding performance metrics including power consumption and transmission latency. Both PCIe 4.0 Retimer and PCIe 5.0/CXL 2.0 Retimer have undergone extensive interoperability testing with CPUs, PCIe Switches, NVMe SSDs, GPUs, and NICs.

In addition, we have introduced the PCIe 6.x/CXL 3.x Retimer, which supports a 64 GT/s transmission rate and utilizes PAM4 SerDes technology. This retimer achieves superior signal integrity with link budget up to 43dB while maintaining low latency, and is designed for various applications, including AI servers, active electrical cables (AEC), and storage devices.

The following diagram sets forth an illustration of our PCIe Retimer chip in a PCIe card.



The following graphics illustrate the typical application scenarios of our PCIe Retimer chip.



CXL MXC

MXC is a Type 3 CXL DRAM memory expander controller. MXC chip offers high-bandwidth and low-latency interconnect between the CPU and the CXL-based devices, allowing them to share memory for enhanced performance and less complicated software stacking, therefore lowering the total cost of ownership (TCO) of data centers.

The Compute Express Link (CXL) protocol was introduced in 2019 and it leverages the PCIe physical layer to facilitate high-speed, low-latency data exchange among CPUs, GPUs, and memory modules. Through its three foundational protocols, CXL.io, CXL.cache, and CXL.memory, CXL supports diverse application scenarios, including direct memory access between smart devices and CPUs, as well as memory expansion and pooling.

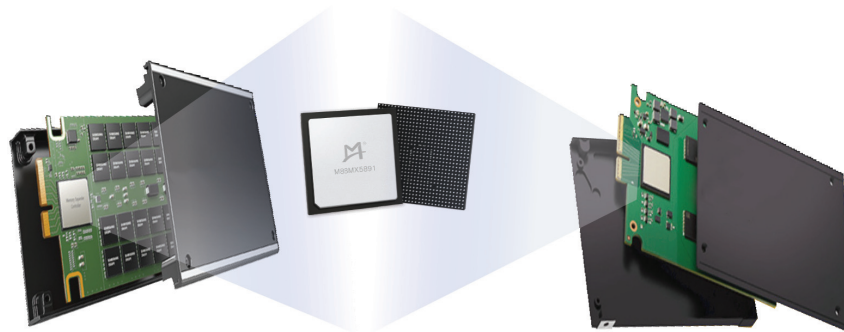
In May 2022, we released the world's first CXL MXC chip and supported memory manufacturers such as Samsung Electronics and SK Hynix in introducing related CXL memory modules, accelerating the commercialization process of next-generation memory solutions. Our MXC chip has successfully passed dozens of rigorous tests by the CXL Consortium and is listed as a compliant supplier for both CXL 1.1 and CXL 2.0 standards. We collaborate with a broad range of partners, including CPU/GPU manufacturers, DRAM manufacturers, cloud service providers (CSPs), and server OEM/ODMs, to drive the broader adoption of CXL.

In the age of AI, CXL technology facilitates efficient collaboration between accelerators such as GPUs and FPGAs (field-programmable gate arrays) with the main processor, significantly enhancing the speed of AI model training and inference, and enabling low-latency, high-speed data transmission to greatly improve computational efficiency. Meanwhile, CXL technology supports memory expansion and memory sharing, providing AI applications with greater memory capacity and more flexible resource allocation. As a result, memory solutions based on CXL technology are poised to become one of the most promising memory solutions in the era of AI.

MXC chips are primarily used in two application scenarios: (i) AIC (Add-in Card) connected to standard DDR5/4 memory modules and (ii) EDSFF modules. The following graphics illustrate such applications:

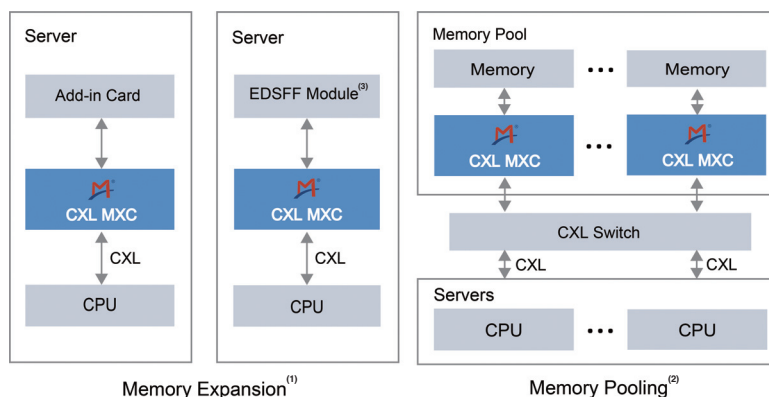


MXC application in AIC



MXC application in EDSFF

The following graphics illustrate the typical application scenarios of our MXC chips.



- (1) Memory expansion refers to increasing the total available memory to a server beyond what is possible with directly attached DIMMs. MXC chips enable memory expansion by acting as a bridge between the CPU and external memory resources.
- (2) Memory pooling allows multiple servers to share a common pool of memory resources, which can be dynamically allocated based on demand. In a typical application, MXC chips can be used to build a memory pool, a centralized collection of DRAM resources within a data center. Instead of memory being physically tied to an individual server, the memory pool allows DRAM to be dynamically allocated to any server as needed. This approach increases memory utilization efficiency and enables flexible resource provisioning for workloads with varying memory requirements.
- (3) The Enterprise and Data Center Standard Form Factor (EDSFF) is a set of standardized form factors developed for enterprise and data center storage. Unlike traditional DIMMs or SSDs, EDSFF modules are designed for high-density, high-performance environments. MXC chips can be integrated into EDSFF modules, enabling plug-and-play memory expansion for servers and storage systems.

Our newly launched advanced interconnect products — MRCD/MDB, CKD, PCIe Retimer, and MXC — are designed to meet the growing demand for higher bandwidth, lower latency, and more complex interconnections. These enhancements further improve data transfer reliability and efficiency in AI servers and PCs, benefiting from the momentum of the AI industry trend. Among these, MRCD/MDB, CKD, and PCIe Retimer have begun adoption in downstream industries, collectively generating revenue of RMB422.5 million in 2024, an eightfold increase compared to 2023.

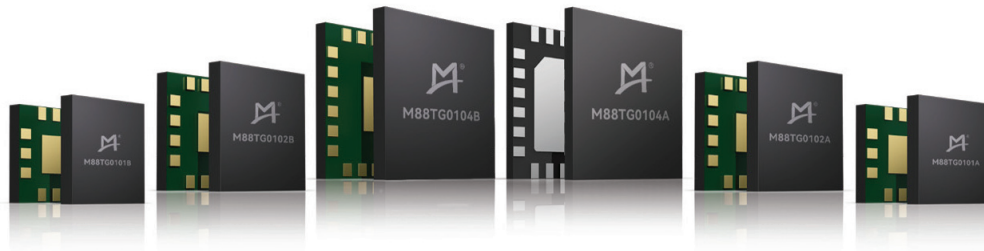
Clock Chips

A clock chip is designed to provide the essential clock pulses required for the operation of electronic systems. It provides a unified timing reference for different chips and functional modules within the system, ensuring coordinated and stable operation of all components. Main types of clock chips include clock generator chips, clock buffers and jitter attenuator chips.

We have launched a series of programmable clock generator chips capable of producing any output frequency between 1MHz and 333.33MHz. Leveraging our advanced input/output (I/O) technology, our programmable clock generator chips feature enhanced jitter performance and provide a wide range of clock frequencies for low phase noise spread-spectrum applications. These chips provide one, two or four pairs of differential clock outputs with independently configurable output characteristics. All differential clock outputs are compliant with PCIe Gen1/2/3/4/5/6 common clock and separate clock architecture specifications, meeting the performance requirements of PCIe devices.

With their independently configurable clock outputs and ultra-low phase jitter performance, our solutions can satisfy the demanding input reference clock needs of cutting-edge applications, including PCIe Gen5/6, 100G Ethernet, USB3.x, WiFi6 and more.

The following diagram sets forth an illustration of our clock chips.



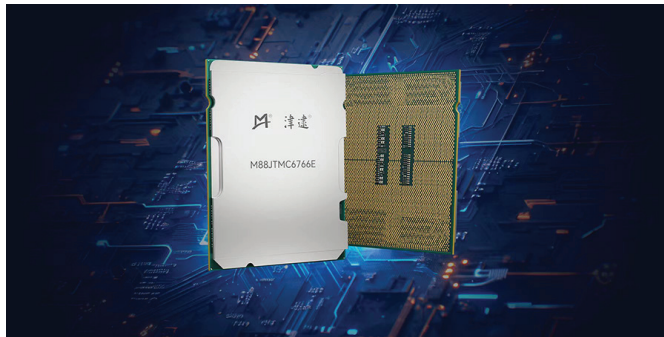
Jintide Products

Our Jintide products encompass Jintide CPU and a Security & Trust Computing Accelerator.

Jintide CPU: With the x86 cores that we procured from Intel, we have developed Jintide CPU, an x86 processor family with PrC (Pre-Check) or DSC (Dynamic Security Check) features. In June 2024, we released our latest 6th-generation Jintide CPU. Each CPU supports up to 144 cores and a maximum Level 3 cache capacity of 108MB. The 6th-generation Jintide CPU is compatible with single-socket or dual-socket designs and features four Ultra Path Interconnect (UPI) links for inter-CPU communication, with a maximum UPI speed of 24 GT/s. The Jintide CPU supports eight memory channels, with DDR5 memory speeds of up to 6400 MT/s. In terms of I/O capabilities, the 6th-generation Jintide CPU supports PCIe 5.0 and CXL 2.0 extensions, offering up to 88 PCIe lanes, providing outstanding scalability for advanced computing and data-intensive applications.

As a domestic brand of server CPU, our Jintide CPU supports the world's mainstream server operation systems including RHEL (Red Hat Enterprise Linux), Windows Server, VMWare ESXi (a bare-metal hypervisor developed by VMware) and SLES (SUSE Linux Enterprise Server), among other applications, and has completed compatibility certification with a number of partners on products covering operating system, cloud infrastructure, database and hardware (such as SSD, GPU and memory). Built on the basis of x86 cores, our Jintide CPU are distinguished by Montage's PrC (pre-check) and DSC technology, and delivers enhanced security and reliability for computing. By establishing a robust security barrier at the chip level, it effectively safeguards against data breaches and malicious tampering, delivering enhanced high-standard privacy protection and compliant solutions.

Multiple domestic server OEM/ODMs have been closely collaborating with us to develop servers based on Jintide CPU. These servers have been widely deployed in many industries. Jintide products are generally sold through well-known channel partners. During the Track Record Period, revenue of Jintide products was entirely from mainland China and Hong Kong. The following diagram sets forth an illustration of our Jintide CPU.



Security & Trust Computing Accelerator: Leveraging our proprietary Mont-TSSE (Trust & Security System Extension) technology architecture and technology, our Security & Trust Computing Accelerator integrates two essential functions, hardware-level data encryption/decryption and platform trust computing measurement, onto a single chip. It could serve as a Hardware Root of Trust (HROt), a foundational security mechanism built into hardware to secure a system, or for use in commercial cryptography and decryption applications.

The TSSE technology utilized in the Security & Trust Computing Accelerator is an extension of the DSC functionality originally developed for the Jintide CPU. The Security & Trust Computing Accelerator can be offered as a standalone product or integrated into Jintide CPU.

Pricing of Our Products

Our pricing policy is established through a comprehensive evaluation of both internal and external factors. Internally, we consider elements such as costs, brand positioning, and the product lifecycle. Externally, we take into account competitor actions, demand elasticity, regulatory requirements, and overall economic conditions. This balanced approach ensures that our pricing remains competitive, sustainable, and aligned with market realities.

During the Track Record Period, due to varieties in product types and specifications, the price of our memory interconnect chips range from RMB1.5 to RMB320.0, the price of our PCIe/CXL interconnect chips range from RMB70.0 to RMB24,000.0 and the price of our Jintide products range from RMB40.0 to RMB35,000.0.

RESEARCH AND DEVELOPMENT

Since inception, we have been committed to R&D and product innovation. We have developed a proprietary integrated circuit (“IC”) design platform, which encompasses key technologies such as digital signal processing, memory management and data buffering, analog design, high-speed logic and interface circuit design, low-jitter clock design, and low-power design. With a high degree of integration, our IC design platform has enabled designs of solutions with enhanced data transfer speed, reliability and efficiency, reinforcing our leadership position in memory interface industry, according to Frost & Sullivan.

We believe our strong research and development capabilities are a core competitive strength and have led to our leading position in the industry. As of September 30, 2025, we have 576 full time research and development employees. In 2022, 2023, 2024 and for the nine months ended September 30, 2025, we had R&D expenses of RMB563.5 million, RMB681.8 million, RMB763.5 million and RMB533.2 million, respectively. Our R&D expenses as a proportion of our total revenue reached 15.3%, 29.8%, 21.0% and 13.1% in 2022, 2023, 2024 and for the nine months ended September 30, 2025, respectively.

Our Technologies

Memory Interface Technologies

Through rigorous R&D, we have established ourselves as one of the few global suppliers capable of delivering a comprehensive set of memory interface chips spanning DDR2 to DDR5.

In the DDR4 generation, our invention of the “1+9” distributed buffer memory subsystem architecture was adopted by JEDEC as the international standard for LRDIMM. In the DDR5 generation, it evolved into the “1+10” architecture, continuing to serve as the international standard for LRDIMM and has further developed into the international standard for a new type of high bandwidth memory module MRDIMM.

We have introduced multiple innovative circuits and algorithms to address the signal integrity challenges of DDR5's high-speed parallel bus. On the circuit level, we developed high-speed, low-noise transceivers, supplemented by multi-tap decision feedback equalization (DFE) to compensate for far-end crosstalk and inter-symbol interference. On the algorithm level, we proposed bias calibration and adaptive algorithms tailored for complex electromagnetic environments, utilizing a DFE training algorithm with adaptive equalization coefficients to enhance the voltage and timing margins of the signal eye diagram. Additionally, we introduced innovative technologies such as adaptive power management and dynamic clock distribution, significantly reducing the power consumption of memory interface chips.

At the industry forefront, our latest DDR5 Gen 5 RCD supports data rates of up to 8000 MT/s, while our high-bandwidth memory interface chips DDR5 Gen 2 MRCD/MDB launched in early 2025 achieve data rate of 12800 MT/s, the highest data rates in the industry at present, according to Frost & Sullivan.

Through continuous innovation, we have developed the key design technologies required for DDR5 high-speed memory interfaces. We have also developed high-speed, high-precision automated testing technologies and platforms, accelerating product design, comprehensive evaluation, and iteration speed. These advancements have laid a solid foundation for the development of new product along with the evolving memory technology.

High-speed SerDes (Serializer/Deserializer) Serial Interface Technologies

SerDes (Serializer/Deserializer) is a foundational technology in the field of high-speed interconnects. It is a mainstream time-division multiplexing and point-to-point serial communication technology. At the transmitter side, SerDes converts multiple low-speed parallel signals into a high-speed serial signal, which is transmitted through a medium such as optical fiber or copper cables, and then reconverted it to low-speed parallel signals at the receiver side. As the physical layer foundation for various high-speed transmission technologies, including PCIe, USB, and Ethernet, SerDes plays a critical role in enabling reliable, high-speed data transfer. Its broad applications span servers, heterogeneous computing, automotive electronics, and communication systems, making it an essential component in modern high-speed interconnect solutions.

We have consistently invested in the R&D of SerDes technology, achieving significant breakthroughs that lay a solid foundation for the development of innovative solutions. We have developed 32GT/s SerDes IP, which has been applied to the PCIe 5.0/CXL 2.0 Retimer, a product that has secured large-scale procurement from downstream customers in 2024. Building on this success, we further developed 64GT/s SerDes IP, which has been applied into the PCIe 6.x/CXL 3.x Retimer.

We seek to continue advancing the SerDes technology. We are currently in the processing of researching and developing PCIe 7.0 SerDes IP, which could support data rates of up to 128GT/s, positioning us at the forefront of high-speed interconnect solution.

R&D Process

We have established an innovation and R&D system that encompasses technology reserve and frontier exploration, in-depth research and technological breakthroughs, and preparation for mass production. This integrated system significantly accelerates the pace of R&D efforts, ensuring seamless transitions from innovation to implementation and driving rapid advancements in product development and market success. Our R&D process features seven steps:

Project Initiation: Marked by the signing of the NPA (New Product Approval) to formalize the project.

System Design: Development of the system architecture, module design, integration, and layout design.

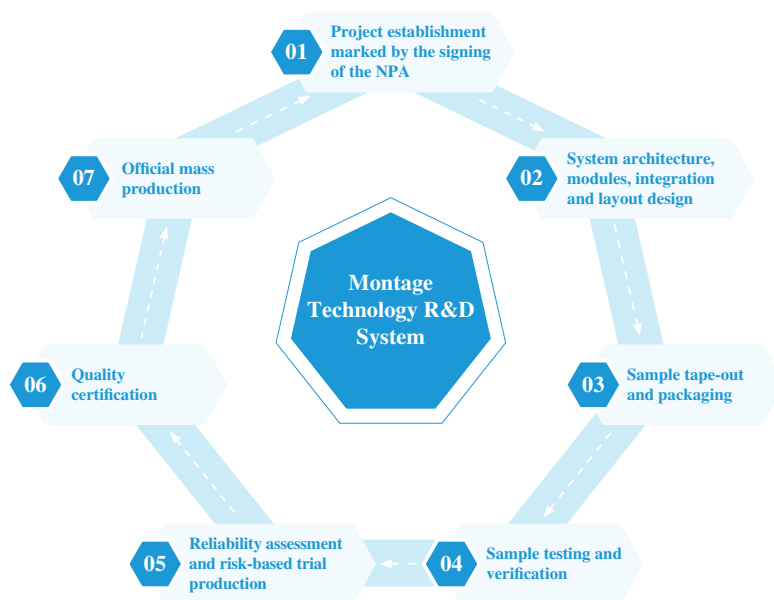
Prototyping: Tape-out and packaging of the sample chips.

Sample Testing and Verification: Conducting comprehensive tests and validations on the samples.

Reliability Assessment and Risk-based Trial Production: Evaluating reliability and conducting trial production to identify and mitigate risks.

Quality Certification: Ensuring the product meets quality standards through rigorous validation processes.

Mass Production: Formal commencement of full-scale production for market delivery.



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The design phase encompasses project initiation and system design, which is followed by the tape-out phase, including prototype fabrication, sample testing, and verification. Finally, the mass production phase involves reliability assessment, risk trial production, quality certification, and full-scale production. The timeframe for the R&D process varies by product, ranging from several months to multiple years, depending on the complexity of the product. Our chip products are developed and designed based on industry open standards and are considered standard products, and not made-to-order according to customer specifications.

INTELLECTUAL PROPERTY

Since our inception, we have developed a variety of proprietary intellectual property rights. As of September 30, 2025, we have 208 granted patents (including 207 invention patents), 95 proprietary rights of IC layout design, 12 copyrights, as well as 74 trademarks both in China and overseas. See “Appendix V — Statutory and General Information — Further Information About Our Business — Intellectual Property Rights” for details of our material intellectual property rights.

The below table sets forth details of our key invention patents as of the Latest Practicable Date.

Patent Name	Patent No.	Intended Use(s)	Functions	Grant Date	Expiry Date
A delay circuit, clock control circuit, and control method	ZL201910205015.4	Designed for memory interface chips	Utilizes identical delay units to compensate for duty cycle loss, maintaining stable internal node voltages and enhancing signal integrity.	9/17/2024	3/18/2039
Memory device with modular design and memory system comprising the same	US12080369B2	Designed for memory expander controller	Fundamental technologies for enhancing memory capacity and compatibility.	9/3/2024	11/7/2042
A testing device and method with built-in self-test logic	ZL201911241938.1	Designed for PCIe Retimer chips	A testing device with built-in test logic that is PCIe protocol-aware, offering enhanced testing efficiency and reduced testing costs.	2/2/2024	12/6/2039
Modular storage device	ZL202210009083.5	Designed for memory expander controller	Fundamental technologies for enhancing memory capacity and compatibility.	1/26/2024	1/6/2042

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Patent Name	Patent No.	Intended Use(s)	Functions	Grant Date	Expiry Date
Calibration method, calibration device and multi-phase clock circuit. . .	US11784650B2	Designed for memory interface chips	Determines delay adjustment by measuring the time difference between clock signals, enabling multi-phase clock calibration without the need for a standard reference source; features low hardware overhead and low power consumption.	10/10/2023	10/13/2042
Glitch removal circuit	US11750184B1	Designed for memory interface chips	Filters out glitches with low latency by detecting the rising and falling edges of the signal to generate output signals, ensuring data transmission accuracy.	9/5/2023	7/28/2042
Retiming circuit and delay control method .	ZL202111220992.5	Designed for PCIe Retimer chips	Addresses long-distance transmission delay issues by placing signal transceiver units in close proximity, reducing both power consumption and signal latency.	6/20/2023	10/20/2041
A high-speed phase frequency detector	ZL201910195015.0	Designed for memory interface chips	Utilizes an improved pulse latch design to address race and short-circuit issues, enabling low-latency, high-speed detection while reducing power consumption.	3/24/2023	3/14/2039
A switched current source circuit and a rapid startup method for the switched current source . .	ZL202010270340.1	Designed for analog circuits in chips	Provides a switched current source circuit with low current jitter and fast recovery, reducing bias voltage capacitance and effectively minimizing chip area.	7/12/2022	4/8/2040
Clock driver and memory device comprising the same	US11380378B1	Designed for memory interface chips	A clock driver compatible with both conventional and next-generation main controllers, enhancing memory system compatibility.	7/5/2022	9/25/2041
A driver output circuit, chip, and driving output method	ZL202011551720.9	Designed for the I/O interfaces of integrated circuits	Serves as a fundamental technology for achieving high-speed signal transmission performance in integrated circuit I/O interfaces.	3/18/2022	12/24/2040

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Patent Name	Patent No.	Intended Use(s)	Functions	Grant Date	Expiry Date
A voltage regulator and voltage regulation method	ZL201410041038.3	Designed for chips that require a stable on-chip reference voltage source, such as memory interface chips	Provides an automatically compensated on-chip reference voltage source to reduce the sensitivity of logic gates to process and temperature variations, thereby enhancing the performance of ICs.	10/13/2017	1/27/2034

Despite our efforts to protect our proprietary rights, unauthorized parties may attempt to copy or otherwise obtain and use our technology. See “Risk Factors — Risks Related to Our Business and Industry — We may not be able to adequately protect or enforce our patents, trade secrets and other intellectual property rights throughout the world, and our efforts to do so may be costly.”

During the Track Record Period and up to the Latest Practicable Date, we did not have any material disputes or any other pending legal proceedings regarding intellectual property rights with third parties.

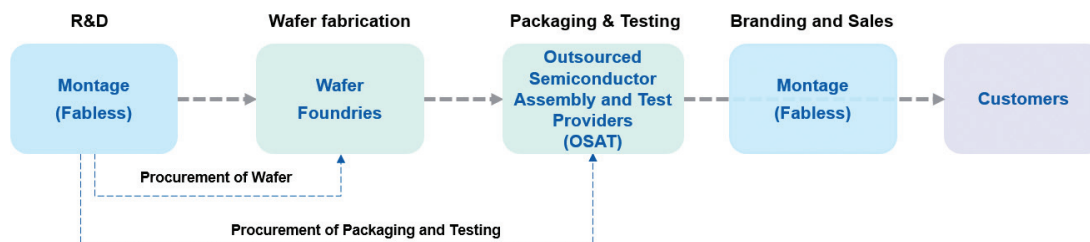
PROCUREMENT

We operate with a fabless model, focusing on the design process and outsource the IC manufacturing, packaging and testing. The fabless model allows us to maximize our design resources and capabilities with limited and efficient capital commitment. We have established a comprehensive supplier management system, which requires all core suppliers to hold an ISO 9001 Quality Management System certification. The procurement lead time varies for different products.

During the Track Record Period, we primarily procured (i) foundry-manufactured wafers with completed built-on circuits designed by us, (ii) packaging and testing services from specialized packaging and testing companies, and (iii) supporting chips and CPU cores. We utilize photomask as the core physical medium connecting design and manufacturing. The photomask transfers circuit layout patterns of each layer with precision onto wafers, spanning the entire process from layout delivery to wafer fabrication. Upon completion of circuit design, we provide layout data to the foundry for subsequent photomask fabrication. During the photolithography, ultraviolet light passes through the photomask onto a photoresist-coated wafer, enabling the scaled-down transfer of patterns onto the wafer surface repeatedly and thereby completing all layers of chip manufacturing.

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The following graphics illustrate our fabless model and procurement process.



After we complete the product design, it enters a multi-stage production process. First, wafer foundries fabricate the chip for us from the wafers we procured. Next, the outsourced semiconductor assembly and test providers from whom we procure services conduct packaging and testing of these chips. Once completed, the finished chip products are delivered under our brands to places designated by our customers. Generally our customers will then integrate our products into their end products, such as memory modules or servers.

OUR SUPPLIERS

Our suppliers during the Track Record Period primarily included foundries, packaging and testing service providers, and supporting chips and CPU core providers, primarily based in East Asia. Under our agreements with our suppliers, we provide procurement forecasts, issue purchase orders and work orders, confirm invoices upon receipt of finished products, and make payments. Suppliers are required to deliver wafers and finished products that meet quality standards within the agreed delivery period, in accordance with the requirements of purchase orders and work orders. They must also promptly report and address any production line abnormalities and provide up-to-date inventory information. In addition, packaging and testing suppliers are required to provide finished product warehousing and direct shipping services to our customers.

During the Track Record Period, we had business relationship with five, five, five and five foundries and five, seven, eight and nine packaging and testing service providers in 2022, 2023, 2024 and the nine months ended September 30, 2025, respectively. During the Track Record Period, we maintained multiple global and domestic suppliers to avoid over-reliance on any of our suppliers. According to Frost & Sullivan, high supplier concentration is common and considered an industry norm for fabless IC design companies like us, given the specialized nature of high technical thresholds, massive capital investment, and complex supply chain coordination required for semiconductor manufacturing. Our Directors are of the view that our relationship with major suppliers would not adversely change on the basis of (i) no material suspension or disruption during the Track Record Period and up to the Latest Practicable Date, and (ii) our long-term and stable partnership. In addition, we have sufficient options of suppliers with similar quality and commercially acceptable terms available in the market according to Frost & Sullivan.

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The following sets forth the salient terms of our agreements with suppliers:

- **Order Placement:** We are typically required to place orders separately under the purchase agreements for the specific type and amount of materials we purchase.
- **Pricing:** We typically purchase materials or services from our suppliers at a fixed price set forth in the agreements or orders.
- **Specification:** We typically should list particular specifications of the materials or services we purchase, and our suppliers are responsible for ensuring that the materials or services meet such requirements.
- **Payment:** We are required to make payment according to the schedule set forth in the agreements, typically within 60 days after delivery and acceptance.
- **Delivery:** Our suppliers are typically responsible for delivery under the conditions set forth in the contract.
- **Warranty:** Our suppliers are responsible for repairing, replacing or resolving other nonconformity issues during warranty period, typically 12 to 36 months.
- **Intellectual Property:** We and our suppliers retain our respective intellectual property, and only have the right of use within the scope of the purchase agreements.
- **Confidentiality:** We and our suppliers are typically prohibited from disclosing confidential information in relation to our cooperation to any third parties without written consent.
- **Termination:** Our purchase agreements can be terminated by mutual intention or by the other party's fundamental breach with written notice in advance.

Top Five Suppliers

In 2022, 2023 and 2024 and the nine months ended September 30, 2025, the aggregate purchase amounts from our five largest suppliers of each year/period of the Track Record Period were RMB2,341.6 million, RMB910.9 million, RMB1,512.8 million and RMB1,783.2 million, representing 89.4%, 68.0%, 77.8% and 81.8% of our total purchase amount in the respective years/period. The purchase amounts from our single largest supplier of each year/period of the Track Record Period were RMB939.5 million, RMB325.3 million, RMB511.5 million and RMB806.9 million in 2022, 2023 and 2024 and the nine months ended September 30, 2025, representing 35.9%, 24.3%, 26.3% and 37.0% of our total purchase amount in the respective years/period. During the Track Record Period, our major suppliers include Amkor, Giantec, Intel, STATS ChipPAC, and TSMC (in alphabetical order), among

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others. We generally have credit term of 30-60 days from our suppliers. We collaborate with Intel for our Jintide products, which accounted for approximately 7.7% and 5.4% of our total revenue in 2024 and the nine months ended September 30, 2025, respectively. We purchase Intel's standard CPU cores on an arm's length basis and consolidate them with our proprietary PrC (Pre-Check) or DSC (dynamic security check) features. Therefore, we are not dependent on Intel.

During the Track Record Period, we did not experience any significant fluctuation in prices set by our suppliers or material breach of contract on the part of our suppliers. Save for Supplier A, to the Company's best knowledge, none of our Directors, their close associates or any of our Shareholders (who or which to the knowledge of the Directors owned more than 5% of our issued share capital) as of the Latest Practicable Date had any interest in any of our five largest suppliers of each year/period of the Track Record Period. To the best of our knowledge, during the Track Record Period and up to the Latest Practicable Date, each of our top five suppliers is independent from each other.

Rank	Supplier	Type of Purchase	Year of Commencing Business Relationship	Purchase Amount <i>(RMB in thousands)</i>	% of Total Purchase Amount %
For the year ended December 31, 2022					
1 . . .	Supplier A	CPU core for Jintide products	2018	939,534	35.9
2 . . .	Supplier B	Supporting chips for interconnect	2018	481,985	18.4
3 . . .	Supplier C	Wafer	2014	471,119	18.0
4 . . .	Supplier D	Packaging and testing	2006	390,531	14.9
5 . . .	Supplier E	Packaging and testing	2019	58,406	2.2
				2,341,575	89.4
For the year ended December 31, 2023					
1 . . .	Supplier C	Wafer	2014	325,255	24.3
2 . . .	Supplier D	Packaging and testing	2006	227,058	16.9
3 . . .	Supplier B	Supporting chips for interconnect	2018	167,606	12.5
4 . . .	Supplier A	CPU core for Jintide products	2018	109,763	8.2
5 . . .	Supplier F	Supporting chips for interconnect	2017	81,245	6.1
				910,927	68.0

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Rank	Supplier	Type of Purchase	Year of Commencing Business Relationship	Purchase Amount (RMB in thousands)	% of Total Purchase Amount %
For the year ended December 31, 2024					
1 . . .	Supplier C	Wafer	2014	511,490	26.3
2 . . .	Supplier D	Packaging and testing	2006	362,531	18.6
3 . . .	Supplier B	Supporting chips for interconnect	2018	347,270	17.9
4 . . .	Supplier A	CPU core for Jintide products	2018	213,677	11.0
5 . . .	Supplier F	Supporting chips for interconnect	2017	77,862	4.0
				1,512,830	77.8
For the nine months ended September 30, 2025					
1 . . .	Supplier C	Wafer	2014	806,929	37.0
2 . . .	Supplier B	Supporting chips for interconnect	2018	383,446	17.6
3 . . .	Supplier D	Packaging and testing	2006	246,059	11.3
4 . . .	Supplier E	Packaging and testing	2019	195,944	9.0
5 . . .	Supplier A	CPU core for Jintide products	2018	150,870	6.9
				1,783,248	81.8

Notes:

- (1) Supplier A is a public company and a global designer and manufacturer of semiconductor products.
- (2) Supplier B is a public company and a global high-tech fabless company.
- (3) Supplier C is a public company and a global semiconductor foundry.
- (4) Supplier D is a public company and an IC manufacturing and technology services provider.
- (5) Supplier E is a public company and a provider of semiconductor packaging and testing services.
- (6) Supplier F is a public company and a provider of analog IC solutions.

Inventory Management

Our inventory primarily consists of raw materials, materials consigned for processing and finished goods. We believe that we have effectively managed our supply chain during the Track Record Period and up to the Latest Practicable Date. During the Track Record Period, we did not encounter any material supply chain issues.

To maintain our competitive edge and ensure our products remain aligned with evolving market demands, we have implemented a range of measures to optimize our inventory levels. These initiatives focus on minimizing inventory backlogs and enhancing our inventory management processes. We have established robust internal procedures for the submission and approval of purchase orders, which streamline logistics and standardize procurement. Additionally, we leverage software tools to track inventory levels and monitor the real-time movement of our inventories.

We believe that our operation is not dependent on any particular supplier. During the Track Record Period, we maintained multiple suppliers to avoid overreliance on any suppliers and we believe there is no significant difficulty to find suitable substitutes for our suppliers.

SALES, MARKETING AND DISTRIBUTION OF OUR PRODUCTS

We have established sales and marketing teams dedicated to both domestic and overseas markets, who proactively identify market opportunities and tailor sales strategies. During the Track Record Period, the impact of tariffs and export control policies on us is rather limited, and we witnessed robust performance domestically and globally. We sell our interconnect chips primarily through direct sales, with a small proportion allocated to distribution channels. We typically opt for distributors to optimize accounts receivable cycles and to improve the efficiency of customer management.

Our Direct Sales

We directly acquire new direct sale customers primarily through referrals from our customers and partners along the value chain, targeted marketing to leading industry participants, and active participation in industry exhibitions. In 2022, 2023 and 2024 and the nine months ended September 30, 2025, our sales generated from direct sale customers amounted to RMB2,692.9 million, RMB2,151.8 million, RMB3,088.2 million and RMB3,435.6 million, respectively, accounting for 73.4%, 94.2%, 84.8% and 84.7%, respectively, of our revenue for the corresponding periods. The following sets forth the salient terms of our agreements with our direct sale customers:

- **Order Placement:** Our customers are typically required to place orders in advance for a specific lead time before the tentative delivery date, subject to our confirmation.
- **Pricing:** We typically sell our products at fixed prices set forth in the purchase agreements or orders after negotiation with our customers.
- **Specification:** Our customers are typically required to provide clear specifications of products in the orders, such as models and quantities.

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- **Payment:** Our customers are typically required to make payments within 60 days after delivery and acceptance, subject to specific payment terms set forth in the orders.
- **Delivery:** We are typically responsible for delivering our products to the place designated in the agreements for our customers' inspection and acceptance.
- **Warranty:** We are typically responsible for repairing or replacing our nonconforming products during the warranty period, typically 12 months, subject to specific procedures and conditions set forth in the agreements.
- **Intellectual Property:** We retain our intellectual property and our customers only have the right of use within the scope of the agreements.
- **Confidentiality:** We and our customers are typically prohibited from disclosing confidential information in relation to our cooperation to any third parties without written consent.
- **Termination:** Our agreements with our customers can typically be terminated by mutual intention or by the other party's fundamental breach with written notice in advance.

Our Distribution Network

We engage distributors who possess extensive sales experience and a strong market presence and can offer preferable credit terms (such as monthly settlement). According to Frost & Sullivan, it is common for companies in the semiconductor industry to engage distributors for its sales. For the years ended December 31, 2022, 2023 and 2024 and for the nine months ended September 30, 2025, our total sales through distributors amounted to RMB978.3 million, RMB126.3 million, RMB540.6 million and RMB614.6 million, respectively, accounting for 26.6%, 5.5%, 14.9% and 15.1%, respectively, of our revenue for the corresponding periods. Our distributors act as agents instead of principals in our transactions with customers, and we pay commissions for orders they obtained at the rates stipulated in the distribution agreements. Orders obtained by our distributors are subject to our acceptance within a given period and they have no authority to make any acceptance or delivery commitments to the customers without our consent.

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The following table sets forth the total number and movement of our distributors during the Track Record Period.

	For the Years Ended December 31,			For the Nine Months Ended September 30,
	2022	2023	2024	2025
Distributors				
Beginning of the period . . .	3	4	3	3
Additions	1	—	1	2
Terminations	—	1	1	1
Number of distributors at the end of the period . .	<u>4</u>	<u>3</u>	<u>3</u>	<u>4</u>

The table below sets forth a breakdown of revenue by sales channel of our products during the periods indicated.

	Year Ended December 31,						Nine Months Ended September 30,			
	2022		2023		2024		2024		2025	
	<i>RMB</i>	<i>%</i>	<i>RMB</i>	<i>%</i>	<i>RMB</i>	<i>%</i>	<i>RMB</i>	<i>%</i>	<i>RMB</i>	<i>%</i>
<i>(in thousands, except for percentages)</i>										
Direct Sale	2,692,869	73.4	2,151,842	94.2	3,088,163	84.8	2,196,471	85.4	3,435,605	84.7
Distributorship	978,343	26.6	126,299	5.5	540,607	14.9	365,650	14.3	614,568	15.1
Others ⁽¹⁾	1,046	0.0	7,597	0.3	10,141	0.3	8,749	0.3	7,515	0.2
Total	<u>3,672,258</u>	<u>100.0</u>	<u>2,285,738</u>	<u>100.0</u>	<u>3,638,911</u>	<u>100.0</u>	<u>2,570,870</u>	<u>100.0</u>	<u>4,057,688</u>	<u>100.0</u>

Note:

(1) Others represent rental income.

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The table below sets forth a breakdown of gross profit and gross profit margin by sales channel of our products during the periods indicated.

	Year Ended December 31,						Nine Months Ended September 30,			
	2022		2023		2024		2024		2025	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
<i>(in thousands, except for percentages)</i>										
Direct Sale	1,560,795	58.0	1,283,248	59.6	1,833,304	59.4	1,294,004	58.9	2,178,276	63.4
Distributorship	143,670	14.7	60,945	48.3	278,655	51.5	196,461	53.7	312,870	50.9
Others ⁽¹⁾	1,046	100.0	2,329	30.7	3,337	32.9	3,600	41.1	2,656	35.3
Total	<u>1,705,511</u>	<u>46.4</u>	<u>1,346,522</u>	<u>58.9</u>	<u>2,115,296</u>	<u>58.1</u>	<u>1,494,065</u>	<u>58.1</u>	<u>2,493,802</u>	<u>61.5</u>

Note:

(1) Others represent rental income.

During the Track Record Period and up to the Latest Practicable Date, to our best knowledge, all of our distributors were Independent Third Parties which are not connected persons of us, and there was no employment, financing or family relationship between our distributors and us.

We enter into distribution agreements with our distributors. The summary of the salient terms of our distribution agreements are set forth as below.

Pricing: Prices are determined between us and the customers. Our distributors can participate in the negotiations but typically have no rights to determine the price of our products. We typically provide price protection for our distributors subject to the contractual arrangements if we announce a generally applicable price reduction.

Acceptance and Delivery: All orders obtained by our distributors are subject to our acceptance within a given period and our distributors have no authority to make any acceptance or delivery commitments to the customers without our consent. We are typically responsible for making goods available for pickup under the schedule in each order. Revenues are recognized upon delivery to end customers.

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Payment and Credit Terms: Our distributors are typically responsible for making payments at the prices determined within 60 days by wire transfer. We typically do not bear the credit risks of the end customers.

Commission: We shall pay commissions to our distributors for the orders obtained by them and confirmed by us at the rates stipulated in the contracts.

Product Return and Warranty: We typically provide a warranty period of 12 months following the date of shipment from us to our distributors. Products returned during the warranty period and confirmed upon our inspection are typically available for repairing or replacement free of charge. Returns of non-defective products are accepted if the distributor provides written notice within the specified advance notice period, as agreed upon in the contract.

Intellectual Property: We retain the patents, trademarks, copyrights or other intellectual property in relation to our products. Our distributors' use of our intellectual property is only authorized for the purpose of the distribution agreements and upon termination of such agreements.

Termination: We are typically entitled to terminate the distribution agreements upon 30 days prior written notice without cause. Both parties are typically entitled to terminate the distribution agreements by the other party's default by giving 30 days advance written notice.

If the distributor intends to engage any sub-distributors, they must provide written notice and obtain our prior consent. If the distributor has not recovered payment from the end customer, we are not obligated to refund any amount to the distributor. During the Track Record Period and up to the Latest Practicable Date, we had not received any material product returns or indemnification claims from our distributors, nor had we made any provisions on any product returns or potential indemnification.

OUR CUSTOMERS

During the Track Record Period, customers for our interconnect chip products primarily included memory module manufacturers and server OEM/ODMs. Customers for our Jintide platforms primarily include enterprises in various industries and server OEM/ODMs. The end customers of customers also include cloud service providers (CSPs).

Top Five Customers

In 2022, 2023 and 2024 and the nine months ended September 30, 2025, the aggregate revenue generated from our five largest customers of each year/period of the Track Record Period were RMB3,091.1 million, RMB1,713.3 million, RMB2,790.7 million and RMB3,116.3 million, representing 84.2%, 74.8%, 76.7% and 76.8% of our revenue in the respective years/period. Revenues generated from our single largest customer of each year/period of the

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Track Record Period were RMB941.5 million, RMB626.6 million, RMB833.4 million and RMB1,139.6 million in 2022, 2023, 2024 and the nine months ended September 30, 2025, representing 25.6%, 27.4%, 22.9% and 28.1% of our revenue in the respective years/period. During the Track Record Period, our major customers include CEAC, Micron, Samsung, and SK Hynix (in alphabetical order), among others. We generally offer credit term of 30-60 days for our customers. Our customers include globally leading DRAM suppliers, including Samsung, SK Hynix and Micron, which collectively account for more than 90% market share of the global server DRAM industry in 2024, according to Frost & Sullivan. We believe that our relationships with our major customers are stable as we have built long-standing, strategic partnerships with them.

To the best of our knowledge, during the Track Record Period and up to the Latest Practicable Date, our five largest customers of each year/period of the Track Record Period were Independent Third Parties which are not connected persons of us, and none of our Directors, their close associates or any of our Shareholders (who or which to the knowledge of the Directors owned more than 5% of our issued share capital) had any interest in any of our five largest customers of each year/period of the Track Record Period. During the Track Record Period and up to the Latest Practicable Date, except for otherwise disclosed in this Prospectus, to the best of our knowledge, our top five customers in each year/period are independent to each other. Our Directors are of the view that our relationship with major customers would not adversely change on the basis of (i) no material suspension or disruption during the Track Record Period and up to the Latest Practicable Date, and (ii) our long-term and stable partnership.

Rank	Customer	Type of Sales	Year of Commencing Business Relationship	Revenue	% of Total Revenue
				<i>(RMB in thousands)</i>	<i>%</i>
For the year ended December 31, 2022					
1 . . .	Customer A	Interconnect chips and the Jintide products	2006	941,460	25.6
2 . . .	Customer B	Interconnect chips	2012	751,249	20.5
3 . . .	Customer C	Interconnect chips	2012	651,889	17.8
4 . . .	Customer D	Interconnect chips	2018	579,666	15.8
5 . . .	Customer E	Interconnect chips	2013	166,811	4.5
				3,091,075	84.2

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Rank	Customer	Type of Sales	Year of Commencing Business Relationship	Revenue	% of Total Revenue
				<i>(RMB in thousands)</i>	<i>%</i>
For the year ended December 31, 2023					
1 . . .	Customer C	Interconnect chips	2012	626,607	27.4
2 . . .	Customer B	Interconnect chips	2012	533,616	23.3
3 . . .	Customer D	Interconnect chips	2018	311,353	13.6
4 . . .	Customer F	Interconnect chips	2015	126,651	5.5
5 . . .	Customer G	Interconnect chips	2022	115,098	5.0
				1,713,325	74.8
For the year ended December 31, 2024					
1 . . .	Customer B	Interconnect chips	2012	833,394	22.9
2 . . .	Customer C	Interconnect chips	2012	653,627	18.0
3 . . .	Customer D	Interconnect chips	2018	651,463	17.9
4 . . .	Customer A	Interconnect chips and the Jintide products	2006	432,362	11.9
5 . . .	Customer G	Interconnect chips	2022	219,808	6.0
				2,790,654	76.7
For the nine months ended September 30, 2025					
1 . . .	Customer B	Interconnect chips	2012	1,139,604	28.1
2 . . .	Customer C	Interconnect chips	2012	649,073	16.0
3 . . .	Customer A	Interconnect chips and the Jintide products	2006	470,782	11.6
4 . . .	Customer D	Interconnect chips	2018	460,535	11.3
5 . . .	Customer G	Interconnect chips	2022	396,354	9.8
				3,116,348	76.8

Notes:

- (1) Customer A is a public company and a global distributor and ancillary service provider in the semiconductor industry.
- (2) Customer B is a public company and a global electronics and semiconductor company, including memory and storage product lines.
- (3) Customer C is a public company and a global semiconductor product manufacturer.
- (4) Customer D is a public company and a global memory and storage solution provider.
- (5) Customer E is a provider of packing, assembly and testing services, including such services to DRAM module vendors. Customer C is a substantial shareholder of, but does not control, Customer E.
- (6) Customer F is a provider of packing assembly and testing services, including such services to DRAM module vendors.
- (7) Customer G is a public company and a provider of packing, assembly and testing services, including such services to DRAM module vendors.

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Overlapping of Customers and Suppliers

During the Track Record Period, we had three overlapping customers and suppliers within our top five customers and suppliers of each year/period of the Track Record Period. The total revenue we generated from the overlapping customers and suppliers amounted to RMB1,596.3 million, RMB716.9 million, RMB1,086.7 million and RMB1,120.3 million in 2022, 2023, 2024 and the nine months ended September 30, 2025, respectively, and the purchases from the overlapping customers and suppliers amounted to RMB939.6 million, RMB109.8 million, RMB214.3 million and RMB151.2 million in 2022, 2023, 2024 and the nine months ended September 30, 2025, respectively. Our Directors have confirmed that none of our sales to and purchases from our overlapping customer and supplier during the Track Record Period was inter-conditional, inter-related or otherwise considered as one transaction. We negotiate the transactions with our overlapping customer and supplier on an arm's-length basis.

Customer/Supplier	Year/Period	Revenue	Purchase Amount	Reasons for Overlapping
<i>(RMB in thousands)</i>				
Customer A . . .	2022	941,460	70	We purchased R&D tools from Customer A
	2023	71,738	–	
	2024	432,362	–	
	9M 2025	470,782	–	
Customer C . . .	2022	651,889	–	We purchased memory module from Customer C
	2023	626,607	–	
	2024	653,627	601	
	9M 2025	649,073	281	
Supplier A	2022	2,959	939,534	Supplier A purchased our interconnect chip products
	2023	18,596	109,763	
	2024	728	213,677	
	9M 2025	403	150,870	

**Note:* 9M 2025 refers to the nine months ended September 30, 2025.

Transfer Pricing Arrangements

Our Company and our subsidiaries conduct intra-group transactions in accordance with our transfer pricing policy. We follow the fundamental principle that intra-company transactions must be conducted on an arm's length basis.

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During the Track Record Period and up to the Latest Practicable Date, there were certain intra-group transactions among our Company and our subsidiaries to facilitate the respective function of our subsidiaries during the course of business of our Group. Our intra-group transactions mainly consist of IP royalties, various services and product sales. We have engaged a transfer pricing advisor to review our intra-group transactions. Our transfer pricing advisor reviewed the intra-group transactions on annual basis and confirmed that the pricing of the intra-group transactions aligns with the arm's length principle.

During the Track Record Period, our intra-group transactions mainly consist of the following:

- *IP royalty transactions.* Our domestic R&D entities, primarily responsible for R&D activities, grant technology IP rights to our certain overseas subsidiary as sales entity, and charge IP royalty fees for such grants.
- *Provision of R&D and marketing services.* Certain of our subsidiaries provide R&D and marketing services to other entities for specific R&D projects and regional marketing needs.
- *Product sales.* Our certain overseas subsidiary functions as our overseas procurement, production and sales entity. It engages third party suppliers to perform wafer manufacturing, packaging, and testing. Once the products are ready, it sells the finished products to other group entities or directly to third parties.

Based on the above analysis and the advice of our transfer pricing advisor, we are of the view that we have complied with the relevant transfer pricing regulations and guidelines. During the Track Record Period and up to the Latest Practicable Date, we had not received any audits, investigations or challenges from the relevant authorities in respect of such transactions.

To ensure our ongoing compliance with applicable transfer pricing laws and regulations, we have implemented the following measures:

- Our finance team regularly participate in transfer pricing training sessions organized by tax authorities or professional firms, so as to maintain a comprehensive understanding of regulatory requirements and key tax practices;
- We review and monitor our transfer pricing arrangements on an ongoing basis, and continue to engage third party tax advisers to conduct reviews of such arrangements, ensuring they remain in line with the arm's length principle; and
- Where transfer pricing documents need to be submitted to tax authorities, such documents would be prepared by designated personnel and submitted after internal review and approval.

QUALITY CONTROL

We have established a comprehensive set of quality control and assurance procedures to monitor our operations to ensure compliance with the regulatory requirements and quality requirements during the entire development, manufacturing, delivery and services processes.

We strictly comply with the requirements of the ISO 9001 Quality Management Systems. Meanwhile, we have established robust internal quality management procedures which consist of written policies such as quality manual, new product development process, and reliability certification requirements, which systematically define quality control requirements for all stages, including IC design, development, outsourcing, manufacturing, and sales. We have also set certain targets for our quality management work, requiring a DPPM (Defects Per Million) to be ≤ 100 .

We adopt a fabless model to focus on design and R&D, while manufacturing, packaging, and testing are outsourced. The quality of our products therefore also depends on the production management standards of our foundry partners. We will continue to enhance our R&D and design capabilities and minimize design-related quality risks by implementing rigorous design verification and testing processes to reduce design defects. Meanwhile, we maintain strict supplier management systems, clearly defining the allocation and assumption of product quality responsibilities, establishing quality standards and certification systems for foundries and packaging and testing service providers, in order to further enhance overall quality control.

We have established a comprehensive product recall process, which primarily includes the following steps: problem identification and risk assessment, recall decision-making and plan development, internal communication and customer notification, supply chain tracing and product recovery/isolation, defect analysis and corrective actions, and recall verification and record-keeping. The product recall process emphasizes rapid response, accurate tracking, and proper handling to ensure efficiency and effectiveness.

During the Track Record Period, we have not experienced significant product returns, replacements, or customer complaints. In 2022, 2023 and 2024 and the nine months ended September 30, 2025, the amount of product return in each year/period of the Track Record Period were nil, RMB0.5 million, RMB3.0 million, and nil, accounting for nil, 0.0%, 0.1% and nil of our total revenues for the respective years/period.

DATA PRIVACY AND INFORMATION TECHNOLOGY SYSTEMS

As our customers are corporates rather than individual consumers, we do not collect personal information from third parties for our research and development purposes. See “Risk Factors — Risks Related to Our Business and Industry — We are subject to evolving and changing regulations of privacy and data protection, which may impact our legal, financial and operational behavior.” for further detail describing the data privacy risks associated with our operations.

We have implemented a robust IT architecture which is constructed to ensure continuous system operation and data security, effectively preventing data loss and damage. When accessing external information, multi-layer encryption, firewall authentication, and two-factor VPN authentication are employed to strictly limit unauthorized access. For technical information, we ensure data security and business continuity by adopting practices such as data encryption, regular audits, and the development of data backup and recovery plans, while regularly identifying and addressing potential risks. For customer data management, we implement robust commercial information protection measures and access control mechanisms to effectively safeguard customer data.

During the Track Record Period and up to the Latest Practicable Date, we have not received any claim from any third party against us on the ground of infringement of such party's right to data and privacy protection as provided by any applicable laws and regulations in the PRC. See "Risk Factors — Risks Related to Our Business and Industry — We are subject to evolving and changing regulations of privacy and data protection, which may impact our legal, financial and operational behavior."

In 2024, we successfully passed the follow-up audit and certification of the ISO 27001 information security management system. During the Track Record Period and up to the Latest Practicable Date, we did not experience significant IT system failures or outages that adversely affected our business operations.

COMPETITION

We operate in a competitive industry, where we face competition from both global and regional players. Key competitors include memory interface chip providers and semiconductor companies with diverse business lines. These competitors often have strong R&D capabilities, extensive product portfolios, and established customer bases. See "Industry Overview." See "Risk Factors — Risks Related to Our Business and Industry — We operate in a competitive industry."

We believe that we have established our competitive moat. We are the largest memory interconnect chip supplier in the world, with 36.8% market share in terms of revenue in 2024, according to Frost & Sullivan. Our focus on innovative, high-speed interconnect solutions differentiates us from competitors. As a board member of JEDEC, the global microelectronics industry standardization organization, we have taken the lead in formulating international standards for DDR5 RCD, MDB, and CKD chips, driving innovation in memory interconnect technology. As members of international standard organizations and industry consortia such as PCI-SIG, CXL Consortium, and UALink Consortium, we collaborate with global partners to build a technological ecosystem and drive continuous innovation in high-speed interconnect technology.

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EMPLOYEES

The following table sets forth a breakdown of the number of our employees as of September 30, 2025 by work function. As of September 30, 2025, we have 697 employees based in Mainland China and Macau (all functions), together with 77 employees overseas, including the United States and South Korea (R&D, sales and customer support).

Research and Development	576
Sales and Marketing	76
General and Administrative	<u>122</u>
Total	<u>774</u>

The majority of our employees are based in the PRC. Our success depends on our ability to attract, retain and motivate qualified personnel, and we have adopted high standards and strict procedures in our recruitment, including campus recruitment, online recruitment and internal referral. We recruit employees based on their educational background, relevant experience in similar positions and professional qualifications, as well as our expansion strategy and job vacancies. We offer competitive compensation for our employees. In addition, we provide bonus regularly to employees who make contributions to our R&D and innovations. Also, for those with outstanding work performance, we reward them with higher compensation or promotion. We also enhance the development of corporate culture and employee engagement by organizing various activities and training to enrich employees' professional skills, boost morale, and improve the work environment.

We entered into confidentiality and non-compete agreements with all employees. These agreements stipulate that employees must maintain confidentiality regarding the Company's trade secrets and that intellectual property created by employees during their tenure belongs to the Company. When necessary, we also have the authority to enforce non-compete clause with employees with access to the Company's core technologies and trade secrets.

As required by PRC laws and regulations, we participate in various employee social security schemes, including pension, maternity insurance, unemployment insurance, work-related injury insurance, health insurance and housing provident fund.

We believe that we maintain a good working relationship with our employees, and we have not experienced any significant labor disputes for our operations during the Track Record Period and up to the Latest Practicable Date.

INSURANCE

Pursuant to PRC regulations, we provide social insurance including pension insurance, unemployment insurance, work-related injury insurance, maternity insurance and medical insurance for our employees based in China. We also purchase product liability insurance and supplemental employer's liability insurance to cover generic risks that may arise from our ordinary course of business and property insurance to safeguard our property and mitigate risks of various accidental losses.

See the section headed "Risk Factors — Risks Related to Our Business and Industry — We have limited insurance coverage, which could expose us to costs and business disruption."

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Overview

We deeply recognize the importance of sustainability of enterprises and integrates ESG concept into our enterprise management framework. Our Company has maintained A rating for four consecutive years from Wind, and was rated BB in ESG assessment by the international authority MSCI, ranking among the top in the IC design industry in China. We maintain regular communication with our stakeholders to fully understand their expectations and needs. By conducting materiality analysis on ESG issues, we identify critical priorities and strategic focus areas for ESG initiatives. We have established an ESG management system with a complete framework, clear hierarchy, well-defined rights and responsibilities, and efficient operations. It clarifies the responsibilities of personnel at all levels, departments, and positions, and improves the ESG management mechanism to provide organizational support for our ESG initiatives.



Montage Technology's ESG Governance Framework

Our operations and facilities comply with extensive environmental, health, and safety laws and regulations. We also actively reduce energy consumption and waste generation in our operations.

We are committed to building a diversified and equal labor relationship and creating a fair and equitable employment environment for employees. In terms of employment compliance, we strictly prohibit the recruitment of child labor, eliminates any employee discrimination and unequal competition, and all employees sign labor contracts with us in accordance with the principle of voluntariness. We attach great importance to the occupational health of our employees and provides them with a safe and healthy working environment.

We have established anti-corruption policies and procedures, including anonymous reporting channels. We have introduced independent directors into our board to oversee the effective implementation of our corporate governance initiatives.

Potential Impacts of ESG-related Risks

Given the nature of our business, we do not produce any material generation of emissions and wastes and cause severe pollution. Nonetheless, we have incorporated ESG-related risks that may impact on our business, strategy and financial performance into our risk management process and qualitatively and quantitatively assess such risks. We been actively identifying climate change risks and opportunities, and setting up special response initiatives to enhance the our ability to cope with climate change in a comprehensive manner. Supervised by our Board, we have integrated climate change into our enterprise risk management process and has prioritized our climate risks by means of qualitative and quantitative analysis. We assess the impact of climate change risks in different scenarios and ranks the risk levels. At the same time, we further evaluates the physical and transition risks that we may face in the form of data analysis and regular review of the risk list of historical events to ensure that the risk assessment work is closely aligned with the actual business situation and demonstrates a high degree of relevance and accuracy. During the Track Record Period, we have not incurred significant capital expenditure or compliance costs related to climate and environmental protection.

Strategies for Addressing ESG-related Risks

We are adopting various strategies and measures to identify, assess, manage and mitigate ESG and climate-related risks, including but not limited to:

- Identifying climate risks that may potentially impact business operations by collecting and analyzing climate-related historical data, industry reports, policy documents;
- Inviting industry experts and internal managers to participate in the risk assessment process to ensure the objectivity and accuracy of the results;

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- Encouraging our sustainability working group and other employees to participate in various ESG related trainings and campaigns to ensure professional and effective ESG management;
- Improving our ESG communication mechanism with key stakeholder continuously and discussing key ESG principles and practices to ensure that important aspects are covered; and
- Reviewing risk management activities regularly to assess the effectiveness of the strategy and adjust and optimize risk management measures in a timely manner.

In addition, we will take comprehensive measures to mitigate, adapt and build resilience to the impact of the environment on our business, strategies and financial performance, as summarized below.

Areas	Key Measures
Extreme weather	We regularly assess potential impact of extreme weather on our operations, formulate comprehensive climate risk contingency plans and response mechanisms, conduct periodic emergency drills for extreme weather events, and ensure timely stockpiling of emergency supplies.
Energy consumption . . .	In R&D, we establish and improve the operation requirements of key power-consuming equipment and standardize equipment operation, adopt up-to-date server models and optimize server allocation based on project stages to reduce idle time and improve energy efficiency. In office, we promote power-saving awareness through slogans and training, encourage day-to-day energy saving practices such as thrifty light use and air conditioner setting, and regularly monitor electricity consumption.
Water consumption	We design our office buildings in line with green building principles and are committed to minimizing water consumption while maintaining normal operation through the implementation of water conservation concept. In daily operations, we promote water-saving awareness among our employees and prevent unnecessary water consumption by regular inspection and maintenance of our water system.

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Areas	Key Measures
Recycling	We actively embrace circular economy on the path toward green transformation. We integrate recycling principle into our project events as well as daily operations to maximize resource utilization and minimize environmental impact. Our initiatives include, among others, battery recycling, shared office supply zones and office paper reuse. We implemented our recycling principle in our “Better Stands Programs” with 38% of eco-friendly materials in our exhibit stands and reserved over 86% recyclable materials after the exhibit.
Waste management	We actively promote waste classification and ensure proper disposal and recycling in our office and business activities. Recyclable materials are collected through designate bins for reuse. Hazardous waste is handled by qualified property companies.
Wastewater management	Domestic sewage is our main wastewater discharge. We also produce some construction related wastewater. To ensure compliant wastewater discharge, we conduct monthly inspections on our discharge amount and disposal.
Emission management . .	We install environmental detectors at new project construction sites to monitor suspended particle concentration indicators, automatically collect data and analyze and record exceedances.
Laws and regulations . . .	We keep track of updates on ESG laws and regulations, conduct timely interpretation and training, proactively respond to ensure compliance, regularly disclose our ESG performance and engage with various stakeholders through diversified platforms.

Metrics and Targets

Our Strategy and ESG Committee evaluates each material KPI regularly in accordance with the disclosure requirements of Appendix C2 to the Listing Rules and other relevant rules and regulations. The material KPIs are reviewed by the Board from time to time to ensure that they remain appropriate to the needs of our Group. In reviewing the KPIs, we have taken into account their respective historical levels and have considered our future business expansion thoroughly and prudently with a view of balancing business growth and environmental protection to achieve sustainable development. Our Board has the overall responsibility for the determination of our ESG development direction and strategies, and approving our ESG policies, report and significant matters.

BUSINESS

We monitor the following indicators to assess and manage our environmental and climate-related risks arising from our business operations.

Indicators	For the Years Ended December 31,		
	2022	2023	2024
Greenhouse gases (“GHG”).			
Scope 1 GHG emission (tons of CO ₂)	6.5	4.8	5.8
Scope 2 GHG emission (tons of CO ₂)	1,808.7	2,173.4	2,191.8
Total GHG emission (tons of CO ₂) (Scope 1 & Scope 2)	1,815.2	2,178.2	2,197.6
Total GHG emission per person (tons of CO ₂ e/Person) (Scope 1 & Scope 2)	3.1	3.1	3.0
Scope 3 GHG emission (tons of CO ₂)	N/A ⁽¹⁾	N/A ⁽¹⁾	462.8
Energy consumption			
Total gasoline consumption (liter)	2,888.0	2,104.0	2,619.0
Purchased electricity consumption (MWh)	3,225.8	3,883.1	4,172.0
Comprehensive energy consumption (MWh)	3,251.4	3,901.8	4,194.7
Total energy consumption per person (MWh/Person)	5.6	5.5	5.7
Water consumption			
Total water consumption (tons)	4,973.4	6,548.6	6,194.1
Total water consumption per person (tons/Person)	8.5	9.3	8.3
Waste generation			
Total amount of non-hazardous waste (tons)	25.7	28.9	30.9
Total amount of office paper consumption (ten thousand sheets)	35.1	41.0	42.2

Note:

- (1) GHG emission data for 2022 and 2023 were not compiled, as we were refining our approach and did not collect such data. Emissions from entities within the our value chain are not included in the 2024 figures due to challenges in obtaining accurate and reliable data.

We identify the range of GHG emissions that we mainly generate as Scope 1, Scope 2 and Scope 3 emissions according to the Greenhouse Gas Accounting System — Enterprise Accounting and Reporting Standard. Scope 1 refers to all direct GHG emissions, Scope 2 refers to indirect GHG emissions from consumption of purchased electricity, heat, or steam, and Scope 3 refers to other indirect emissions not covered in Scope 2 that occur in the value chain of a company. Our Scope 3 GHG emissions for 2024 include only those generated from employee commuting and business travel.

Corporate Social Responsibility

We firmly believe that corporate success is inextricably linked to social responsibility fulfillment. We embed societal commitment into our core values by actively implementing social welfare initiatives, consistently investing in youth education, as well as encouraging our employees to engage in charitable activities, such as voluntary blood donation.

We continue to deepen our “Philanthropic Initiative” at Fengshan Primary School in Yunnan Province. In addition to donating sports facilities, teaching equipment, and reading materials to enhance students’ access to educational resources. Concurrently, in collaboration with a professional psychological counseling organization, we provided mental health courses for rural students, achieving positive outcomes. In 2024, we were awarded the “Outstanding Collective in Charitable Work” at the 10th Xuhui District Charity Awards.

Employment and Care

We have entered into employment contracts with our employees in accordance with the applicable PRC laws and regulations such as the Labor Law of the People’s Republic of China and the Labor Contract Law of the People’s Republic of China, and formulated the Employee Handbook, the Recruitment System and other internal policies. We hire employees based on their merits, following the principles of lawfulness, fairness, equality, voluntariness, consensus, honesty and credibility. We prohibit any use of child labor in any of our operations.

We believe that having a balanced lifestyle is crucial to achieving a good mindset at work. Therefore, we encourage employees to maintain good mental and physical health by participating in sports and recreational activities.

We nurtured a friendly and inspirational corporate culture that we believe is attractive to the talents who are keen to our success, and we invest heavily in training and retaining them. We provide adequate resources to help them succeed and have implemented a multi-dimensional training program for employees at different levels, positions and development stages to help them fully realize their talent and potential. In 2024, we had conducted diversified trainings of 17,793.5 hours, with an average of approximately 24 hours per employee.

Benefits and Welfare

We strive to offer competitive salaries to attract and retain employees, and we provide attractive benefits and care to employees, including marriage and maternity leaves, festival care and community activities, as well as mother and baby room and other complete functional rooms.

We have established a comprehensive promotion assessment system, comprising of four stages: performance planning, performance feedback and coaching, performance evaluation and reviewing, and performance incentives. We also have various bonuses and incentive plans to provide abundant benefits and incentive for our employees in their work.

We will also focus on embracing diversity within our organization and equal and respectful treatment of all of our employees in their hiring, training, wellness and professional and personal development. While maximizing equal career opportunity for everyone, we will also continue to promote work-life balance and create a pleasant workplace for all of our employees.

Workplace Safety

We have adopted and maintained a series of rules, standard operating procedures, and measures to maintain our employees' healthy and safe environment to ensure our operations comply with applicable workplace safety regulations in jurisdictions where we operate. As we do not operate any production facilities, we are not subject to significant health, work safety, social or environmental risks. Nonetheless, given that we are an integrated circuit design company where employees primarily work at desks for extended periods, which may lead to neck, shoulder and lower back issues, we invited renowned medical experts to deliver health seminars on the prevention and care of such conditions. We conduct regular occupational health and safety risk and hazard assessments to identify factors that may cause injury in the workplace. In areas with significant noise in the laboratory, engineers are provided with protection such as noise-canceling headphones and notices are posted to remind them to take proper precautions.

Anti-corruption and Anti-bribery

We have implemented a set of policies, including our Code of Business Conduct and Anti-Bribery Statement, to ensure our operations comply with applicable anti-bribery and anti-corruption regulations in jurisdictions where we operate. The policies explain potential bribery and corruption conduct and our anti-bribery and anticorruption measures. Improper payments prohibited by the policy include bribes, kickbacks, excessive gifts or facilitation payment, or any other payment made or offered to obtain an undue business advantage. Supervised by our Board of Directors, our general manager's office is responsible for

investigating the reported incidents and taking appropriate measures as necessary. We conduct the engagement procedure fully in accordance with the anti-bribery and anti-corruption policies. We also have regular trainings for employees regarding anti-bribery and anti-corruption policies to facilitate better implementation.

Supply Chain Management

We regard a sustainable supply chain as a key component of our core competitive advantage. We maintain close collaboration with supply chain partners with standardized onboarding and evaluation processes, and implement a tiered management system to incentivize continuous supplier performance improvement. We are committed to promoting sustainability by integrating key ESG metrics into our supplier evaluation framework, such as product quality, environmental protection and social responsibility. We encourage our suppliers to develop management practices that comply with ESG requirements. We require our core suppliers to have quality management systems certified under ISO 9001 and to meet relevant environmental standards across raw materials, production, packaging, transportation, and handling processes.

We have also implemented multiple measures to ensure supply chain stability and continuity. For stability, we have developed a comprehensive business continuity plan designed to proactively address unforeseen disasters or events, minimizing downtime and recovery costs to consistently deliver products to customers. For continuity, we adopt a combination strategy with a leading supplier and dual/triple backup approach to ensure supply chain resilience and reliability.

Product Quality and Safety

We strictly comply with product quality laws and regulations in all jurisdictions where we operate, as well as the ISO 9001 quality management system requirements. We have established internal quality management systems, including Quality Manual, New Product Development Procedures, and Reliability Certification Standards, which comprehensively define quality control requirements across the entire process of integrated circuit design, development, outsourcing, manufacturing and sales.

During the Track Record Period and up to the Latest Practicable Date, the defect rate of our products remained below 100 per million (≤ 100 DPPM). During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any material claim or penalty in relation to any product safety issues, false advertising incidents or any material defects or malfunctioning of our chips and we had been in compliance with the relevant laws and regulations in China in all material aspects.

PROPERTIES

Our principal executive office is located in Shanghai, China. We lease and own certain land parcels and buildings in the PRC and other regions where we operate for our business operations. According to our PRC Legal Adviser, we have obtained all material licenses, permits and certificates with respect to land and properties as required by relevant PRC laws and regulations.

As of the Latest Practicable Date, we leased a portion of a building we own in Shanghai to third-party tenants. The property is developed for office units and car parking spaces. Pursuant to Rules 5.01A and 5.01B of the Listing Rules, if the carrying amount (as defined in Rule 5.01(1) of the Listing Rules) of a property interest (as defined in Rule 5.01(3) of the Listing Rules) that forms part of an applicant's property activities is or is above 1% of the applicant's total asset, the prospectus must include the full text of a valuation report for such property interest. As of September 30, 2025, being the date of which the most recent audited consolidated statements of the financial position of our Group, (i) the carrying amount of our investment property exceeds 1% of our total assets; and (ii) no single property interest that forms part of our non-property activities has a carrying amount of 15% or more of total assets. Savills Valuation and Professional Services (China) Limited, an independent property valuer, valued our investment property based on certain assumptions. Details of our investment property interests are set out in Appendix III to this Prospectus.

IMPACTS OF THE PUBLIC HEALTH INCIDENTS

Our business and results of operations had not been materially and directly affected by public health incidents, particularly the COVID-19 pandemic, during the Track Record Period. This was primarily due to the following factors: (i) our corporate operations, product development and sales were not suspended during the pandemic, (ii) our supply chain experienced no material disruption during the pandemic, and (iii) our business model is primarily business-to-business, which was less adversely affected by the impacts of the pandemic compared to the business-to-customer segment. Based on the foregoing, our Directors are of the view that the pandemic did not have or is not expected to have any material adverse impact on our business and results of operations during the Track Record Period and up to the Latest Practicable Date.

BUSINESS

LICENSES, APPROVALS AND PERMITS

During the Track Record Period and up to the Latest Practicable Date, we had obtained all material licenses, permits, approvals and certificates necessary to conduct our business operations from the relevant government authorities in the PRC and other countries and regions where we operate, and such licenses, permits, approvals and certificates remained in effect. The following tables set forth the details of the material licenses and permits maintained by us as at the Latest Practicable Date.

NO.	Company Name	Qualification Type	Issuing Authority/Customs	Validity Period
1 . . .	The Company	Registration for Import and Export Consignees and Consignors	Xuhui Customs, Shanghai	Long-term
2 . . .	Montage Semiconductor (Kunshan) Co., Ltd.	Registration for Import and Export Consignees and Consignors	Kunshan Comprehensive Bonded Zone Customs	Long-term
3 . . .	Montage Technology (Kunshan) Co., Ltd.	Registration for Import and Export Consignees and Consignors	Kunshan Customs	Long-term
4 . . .	Montage Electronics (Shanghai) Co., Ltd.	Registration for Import and Export Consignees and Consignors	Yangshan Port Area Customs	Long-term
5 . . .	Montage Electronics (Zhuhai Hengqin) Co., Ltd.	Registration for Import and Export Consignees and Consignors	Hengqin Customs	Long-term

LEGAL PROCEEDINGS AND COMPLIANCE

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any actual or pending legal, arbitration or administrative proceedings (including any bankruptcy or receivership proceedings) that we believe would have a material adverse effect on our business, results of operations, financial condition or reputation and compliance.

According to our PRC Legal Adviser, the business operations we engaged in had been carried out in compliance with applicable PRC laws and regulations in all material respects during the Track Record Period and up to the Latest Practicable Date.

RISK MANAGEMENT AND INTERNAL CONTROL

We have established and currently maintain risk management and internal control systems consisting of policies and procedures that we consider to be appropriate for our business operations. We place a high emphasis on the development of our internal control system and continuously refines the internal control management manual and other related systems. We established a three-tier risk management framework composed of the board of Directors, the audit committee and the internal audit department.

The board of Directors, as the highest responsible institution for internal control and risk management, comprehensively promotes the construction of the risk management and internal control systems and supervises the implementation of these systems.

The audit committee of the board guides the internal audit by:

- Reviewing our annual internal audit work plan;
- Supervising the implementation of our internal audit plan;
- Reviewing internal audit work reports, evaluating the results of internal audit work, and supervising the rectification of major issues; and
- Guiding the effective operation of the internal audit department.

The internal audit department fulfills its responsibilities for internal control and risk management, effectively implements various internal control systems within our Company, supervises internal control and risk management, and assists the board of Directors and the audit committee in fulfilling their responsibilities by:

- Reviewing and assessing the reliability, effectiveness, and completeness of our internal monitoring mechanisms;
- Reviewing and assessing the appropriateness of our organizational framework, systems, and procedures;
- Reviewing and assessing the security and integrity of our assets; and
- Understanding and evaluating the likelihood of significant risks arising in our operation and assisting in improving risk management and other related work.

The board of Directors has formulated our Code of Business Conduct, which defines behaviors that violate business ethics, such as bribery and corruption, discrimination, disclosure of confidential information, conflict of interest, monopoly, unfair competition, money laundering, and insider trading, and guides our employees and managers to carry out legal and compliant business activities in line with the corporate values of our company.

In addition, to safeguard operational stability, financial integrity, and strategic resilience, we have cultivated a comprehensive framework of standardized processes and policies that span core business functions. These processes are designed to embed structure, consistency, and proactive risk awareness across the organization, ensuring alignment with regulatory requirements, internal governance standards, and long-term business objectives.

BUSINESS

AWARDS AND RECOGNITIONS

Award/Recognition	Award Authority	Award Year
“The 23rd China Excellent Patent Award”	China National Intellectual Property Administration	2022
“Outstanding Performance Award (Semiconductor Devices)” and “Outstanding Quality Award (Packaging & Testing Materials for Semiconductor Devices)”	Micron Technology, Inc.	2022
“National Intellectual Advantage Enterprise”	China National Intellectual Property Administration	2022
“2023 Top 50 Innovative Enterprises in China”	Forbes	2023
“Outstanding Supplier Performance Award”	Micron Technology, Inc.	2023
“Best Supplier Award”	SK Hynix Semiconductor Inc.	2023
“Golden Bull Award (ESG)”	China Securities Journal	2024
“China Listed Company Investor Relations Tianma Award”	Securities Times	2023 to 2025
“A-level (Outstanding) Rating in the Information Disclosure Evaluation” . .	Shanghai Stock Exchange	2023 to 2024
“Top 50 Chinese Tech Companies”	Fortune	2025

DIRECTORS AND SENIOR MANAGEMENT

OVERVIEW

Upon Listing, our Board will consist of eight Directors, comprising two executive Directors, two non-executive Directors and four independent non-executive Directors. Our Directors are appointed for a term of three years and are eligible for re-election upon expiry of their term of office. The independent non-executive Directors shall not hold office for more than six consecutive years pursuant to the relevant PRC laws and regulations.

All of our Directors and senior management members meet the applicable qualification requirements under the relevant PRC laws and regulations and the Hong Kong Listing Rules for their respective positions.

BOARD OF DIRECTORS

The following table sets forth the key information about our Directors.

Name	Age	Position/Title	Time of Joining our Group	Time of Appointment as a Director since Conversion into a Joint Stock Company	Responsibilities
Executive Directors					
Dr. Howard C. Yang (楊崇和)	68	Chairman of the Board, executive Director, and Chief Executive Officer	June 2004	October 28, 2018	Responsible for overall strategic planning, management and development of our Group
Mr. Stephen Kuong-Lo Tai . .	54	Executive Director and President	May 2004	October 28, 2018	Responsible for daily operation and management of our Group, with particular focus on sales and marketing
Non-executive Directors					
Dr. Wang Rui . . .	64	Non-executive Director	January 2024	January 26, 2024	Responsible for providing strategic advice and recommendations on the operations and management of the Group
Ms. Fang Zhoujie (方周婕)	29	Non-executive Director	July 2018	June 21, 2024	Involved in the decision-making process of the Board as an employee representative

DIRECTORS AND SENIOR MANAGEMENT

Name	Age	Position/Title	Time of Joining our Group	Time of Appointment as a Director since Conversion into a Joint Stock Company	Responsibilities
Independent Non-executive Directors					
Dr. Li Ruoshan (李若山)	76	Independent non-executive Director	June 2024	June 21, 2024	Responsible for providing independent opinion and judgment to the Board
Professor Ko Ping Keung (高秉強)	74	Independent non-executive Director	Listing Date	July 7, 2025, effective from Listing Date	Responsible for providing independent opinion and judgment to the Board
Dr. Yuhua Cheng .	67	Independent non-executive Director	June 2024	June 21, 2024	Responsible for providing independent opinion and judgment to the Board
Dr. Shan Hailing (單海玲)	66	Independent non-executive Director	June 2024	June 21, 2024	Responsible for providing independent opinion and judgment to the Board

Executive Directors

Dr. Howard C. Yang (楊崇和), aged 68, co-founded the Group with Mr. Stephen Kuong-Lo Tai in 2004 and has been serving as the chairman of the Board, Director, and the Chief Executive Officer since the conversion of our Company into a joint stock company with limited liability. As a co-founder of the Company, Dr. Yang's wealth of expertise and experience has been instrumental in driving the Group's strategic direction, and technological advancements. He is responsible for overall strategic planning, management and development of our Group. Dr. Yang also serves as a director and/or general manager/manager in 26 of our 30 subsidiaries, including, among others, all of our major subsidiaries. For details of our major subsidiaries, see "History — Our Major Subsidiaries".

Dr. Yang has extensive experience in engineering, research and development, and corporate leadership. Dr. Yang first worked on the design and development of integrated circuits at National Semiconductor Corporation from 1990. From 1994, he served as head of new product development at Shanghai Belling Microelectronics Co., Ltd. Dr. Yang founded Newave Technology in September 1997 and served as its president until April 2001 as the same merged with Integrated Device Technology, Inc. For the primary business of Newave Technology (Shanghai) Co., Ltd., see "Business — We are led by a visionary and seasoned management team."

DIRECTORS AND SENIOR MANAGEMENT

Dr. Yang was elected as a Fellow of the Institute of Electrical and Electronics Engineers (IEEE) in 2010 and was elevated to IEEE Life Fellow in 2023. In addition, Dr. Yang has received several awards, including the IEEE CAS Industrial Pioneer Award, the JEDEC Distinguished Executive Leadership Award, the Magnolia Gold Award, the Ernst & Young Entrepreneur of the Year 2023 Mainland China Award, and has been named to the 2025 Forbes China Best CEOs list as one of the 50 distinguished leaders from over 1,000 publicly listed companies.

Dr. Yang received his master of Science and doctor of philosophy, both in Electronic and Computer Engineering, from Oregon State University in the United States, in June 1987 and December 1989, respectively.

Mr. Stephen Kuong-Io Tai, aged 54, co-founded the Group with Dr. Howard C. Yang in 2004, and has been serving as a Director and president of the Company since the conversion of our Company into a joint stock company with limited liability. As a co-founder of the Company, Mr. Stephen Tai's familiarity of and insights into the industry landscape and development has been paramount in, among other things, refining and shaping our management philosophies and sales and marketing strategies. He is responsible for daily operation and management of our Group, with particular focus on sales and marketing. Mr. Stephen Tai also serves as a director and/or general manager/manager in 17 of our 30 subsidiaries including, among others, three of our four major subsidiaries. For details of our other major subsidiaries, see "History — Our Major Subsidiaries".

Mr. Stephen Tai has extensive experience in engineering design, research and development, and corporate management. From April 1995 to December 2003, Mr. Stephen Tai participated in the founding of Marvell Technology Group and served as the director of engineering and research and development thereof, where he was responsible for leading the research and development of key products, including hard disk read channel, Ethernet Gigabit PHY, and Wi-Fi technologies.

In 2025, Mr. Stephen Tai was awarded the Shanghai Magnolia Gold Award.

Mr. Stephen Tai received his Bachelor of Science degree in Electrical Engineering from the Johns Hopkins University in the United States on May 21, 1992. He further received his Master of Science degree in Electrical Engineering from Stanford University in the United States on January 6, 1994.

Non-executive Directors

Dr. Wang Rui, aged 64, joined the Group on January 26, 2024 as a non-executive Director. She is responsible for providing strategic advice and recommendations on the operations and management of the Group.

DIRECTORS AND SENIOR MANAGEMENT

Dr. Wang Rui joined Intel Corporation in April 1994, she held various positions within Intel Corporation, including: from April 1994 to September 2005, as the technical development manager in the platform engineering division, overseeing product technology development; from September 2005 to January 2013, as the vice president of the platform engineering division and general manager of the mixed-signal IP solutions division, responsible for the development of Intel's analog-digital mixed-signal IP used widely across the company's product portfolio; from January 2013 to July 2016, as the general manager of the technology enabling group, responsible for drive customer adoption of Intel's silicon technology products, overseeing all products, customers, and design cases; from July 2016 to November 2017, as the director of the major customer business of Intel China, responsible for managing business activities with major customers; from November 2017 to September 2021, she was corporate vice president and PRC country manager in the Sales and Marketing Group, responsible for Intel's marketing strategy and operations in China; from September 2021 to September 2025, she served as the senior vice president of Intel Corporation and chairman of Intel China, responsible for leading all businesses and teams in Intel China.

Dr. Wang Rui received her doctoral degree in electronic engineering from Columbia University in the United States in May 1990.

Ms. Fang Zhoujie (方周婕), aged 29, joined the Group in July 2018 as a specialist of the Board office. Ms. Fang was appointed as an employee-representative Director of the Company in June 2024, and has been involved in the decision-making process of the Board as an employee representative.

From July 2018 to August 2019, she was a specialist of the Board office, and then became senior specialist from September 2019 to January 2023, and has been supervisor of general affairs for the Board office since February 2023. Ms. Fang previously served as an employee-representative supervisor, participating in supervisory board decisions, from September 2021 to June 2024.

Ms. Fang received her bachelor's degree in English from Zhejiang International Studies University in the PRC in June 2018.

Independent Non-Executive Directors

Dr. Li Ruoshan (李若山), aged 76, joined the Group as an independent Director in June 2024. Dr. Li is responsible for providing independent opinion and judgment to the Board.

Dr. Li has over 40 years of experience in accounting, auditing, and financial management, as well as extensive academic expertise in teaching and research. Prior to joining the Group, Dr. Li held various senior academic roles. Since October 1997, he has been the director of the Department of Finance, a professor and doctoral supervisor at the Department of Accounting at the School of Management, Fudan University in Shanghai, the PRC, and continues to serve as a re-employed professor after retirement. Prior to that, Dr. Li served as the deputy director of the Department of Accounting and the deputy dean of the School of Economics, Xiamen University, in Xiamen, the PRC.

DIRECTORS AND SENIOR MANAGEMENT

Dr. Li has also served as an independent Director and chairperson of audit committee at other listed companies. Since June 2023, he has been an independent Director and chairperson of audit committee of Spring Airlines Co., Ltd., a company listed on the Shanghai Stock Exchange (SSE: 601021). He has also served as an independent Director and chairperson of audit committee of Shanghai Conglin Environmental Protection Technology Co., Ltd., a company listed on the Shanghai Stock Exchange STAR Market (SSE: 688370), since November 2020. Previously, Dr. Li served as an independent Director of Shenzhen Yantian Port Holdings Co., Ltd., a company listed on the Shenzhen Stock Exchange (SZSE: 000088), from December 2017 to April 2024.

Dr. Li currently serves as chairperson of the Independent Directors Committee of the China Association for Public Companies.

Dr. Li received his bachelor's degree in accounting in July 1982 and a doctoral degree in auditing in July 1989, both from the Department of Accounting at the School of Economics, Xiamen University, in the PRC.

Professor Ko Ping Keung (高秉強), aged 74, was appointed as an independent Director in July 2025, with effect from the Listing Date. Professor Ko is responsible for providing independent opinion and judgment to the Board.

From 1982 to 1983, Professor Ko served as a researcher at Bell Labs, Holmdel, leading a research team to develop high-speed MOS technologies for communication circuits. From 1984 to 1993, he successively served as a deputy director, professor and director of the Microelectronics Manufacturing Institute at the University of California, Berkeley. He joined the Hong Kong University of Science and Technology and served as Visiting Professor from August 1993 to April 1995 in the Department of Electronic and Computer Engineering, and as Dean of Engineering from May 1995 through June 2000.

Professor Ko has served as (i) an independent non-executive director of Henderson Investment Limited (HKEX: 0097) and Henderson Land Development Company Limited (HKEX: 0012) since September 2004, VTech Holdings Limited (HKEX: 0303) since January 2018, and Q Technology (Group) Company Limited (HKEX: 1478) between May 2017 and September 2025, and (ii) a director of OneRobotics (Shenzhen) Co., Ltd. since October 2018, and redesignated as a non-executive director since the listing of the company (HKEX: 6600) in December 2025, all of which are Hong Kong listed companies. Professor Ko has also served as an independent director of Primarius Technologies Co., Ltd. (SSE: 688206) during the period from October 2020 to February 2025, a director of Beken Corporation (SSE: 603068) since February 2017, Smartsens Technology (Shanghai) Co., Ltd. (SSE: 688213) since December 2020 and Googol Technology (SZSE: 301510) since June 2021, all of which are PRC listed companies.

Professor Ko has extensive experience serving the industrial as well as the professional and academic communities. He was associate editor of the Institute of Electrical and Electronics Engineers (IEEE) transaction on electron devices from 1988 to 1990, and was on the program committee of many major international conferences. He was the chairman of HK Research Grants Council from January 1994 to July 1999, and a member of the UGC from April 1993 to March 1998.

DIRECTORS AND SENIOR MANAGEMENT

Professor Ko received his bachelor's degree in physics with special honors from Hong Kong University in 1974, and master's degree in science and doctoral degree in Electrical Engineering from the University of California at Berkeley, in the United States in 1978 and 1982 respectively.

Dr. Yuhua Cheng, aged 67, joined the Group as an independent Director on June 21, 2024. Dr. Yuhua Cheng is responsible for providing independent opinion and judgment to the Board.

Dr. Yuhua Cheng has extensive experience in semiconductor research, microelectronics, and corporate management, with a strong academic background and extensive leadership roles in both industry and academia.

Dr. Yuhua Cheng began postdoctoral research at Peking University in the PRC between March 1990 and March 1992, focusing on semiconductor devices. He then served as a lecturer from April 1992 to July 1992 and as an associate professor from August 1992 to March 1996 at Peking University. He also served as a researcher at the University of California, Berkeley from January 1995 to December 1997. Since April 2006, he has been a professor of School of Integrated Circuits at Peking University. Since July 2007, he has been the dean of the Shanghai Microelectronics Institute at Peking University, where he oversees research projects and operational management.

Dr. Yuhua Cheng obtained his master's degree in semiconductor studies from Tianjin University in the PRC in 1985. He then received his doctoral degree in microelectronics from Tsinghua University in the PRC in December 1989. He was elected as a Fellow of the Institute of Electrical and Electronics Engineers (IEEE) in January 2007.

Dr. Shan Hailing (單海玲), aged 66, joined the Group as an independent Director in June 2024. Dr. Shan is responsible for providing independent opinion and judgment to the Board.

Dr. Shan has over 30 years of academic and professional experience in international law, intellectual property law, and cross-border labor law, with a strong focus on legal research and teaching. From September 2008 to August 2019, Dr. Shan worked at the School of Law, Shanghai University of Finance and Economics, serving successively as a professor and a doctoral supervisor. Before that, Dr. Shan served as an associate professor at East China University of Political Science and Law. Dr. Shan was a member of International Law Association, a member of International Association for the Protection of Intellectual Property, and a standing director of Chinese Society of Private International Law.

Dr. Shan received her bachelor's degree in law from East China University of Political Science and Law in the PRC in July 1984. She received her doctoral degree in law at Ghent University in Belgium, in January 2007.

DIRECTORS AND SENIOR MANAGEMENT

SENIOR MANAGEMENT

The following table sets out key information about our senior management.

Name	Age	Position/Title	Time of Joining our Group	Time of Appointment as Senior Management since Conversion into a Joint Stock Company	Responsibilities
Dr. Howard C. Yang (楊崇和)	68	Chairman of the Board, executive Director, and Chief Executive Officer	June 2004	October 28, 2018	Responsible for overall strategic planning, management and development of our Group
Mr. Stephen Kuong-Lo Tai	54	Executive Director and president	May 2004	October 28, 2018	Responsible for daily operation and management, with particular focus on sales and marketing
Ms. Su Lin (蘇琳)	53	Vice president and head of finance	September 2007	October 28, 2018	Responsible for the Group's financial, legal, human resources, and administrative matters
Ms. Fu Xiao (傅曉)	39	Board secretary	April 2016	September 28, 2021	Responsible for the Group's corporate governance, information disclosure and compliance, investor relations, ESG matters, and capital operations

Ms. Su Lin (蘇琳), aged 53, joined the Group in September 2007 as our financial director and is currently our vice president and head of finance, and is responsible for the Group's financial, legal, human resources, and administrative matters.

From September 2007 to December 2011, she was the financial director of the Company, before she was promoted to our vice president of administration and finance from January 2012 to September 2018. Since October 2018, Ms. Su has been serving as the vice president and head of finance of the Company.

DIRECTORS AND SENIOR MANAGEMENT

Ms. Su has around 30 years of extensive experience in financial management, auditing, and administration. She first served as an audit manager at PricewaterhouseCoopers from July 1995 to June 2003, where she conducted external audits and issued audit reports. She then joined Dow Corning Silicone Trading (Shanghai) Co., Ltd. as financial director from July 2003 to August 2007, where she oversaw financial accounting, taxation, and fund management.

Ms. Su received her bachelor's degree in management information systems from Fudan University in the PRC in July 1995.

Ms. Fu Xiao (傅曉), aged 39, joined the Group in April 2016 and is currently our Board secretary, responsible for the corporate governance, information disclosure and compliance, investor relations, ESG matters, and capital operations of the Group.

She served as a securities affairs manager from April 2016 to June 2019, responsible for the A-share IPO preparation and application. During July 2019 to August 2021, she served as our securities affairs representative. Since September 2021, Ms. Fu has been serving as our Board secretary.

Ms. Fu has over 13 years of experience in corporate governance, securities affairs, and legal compliance. She has been recognized the 5A-Class Board Secretary by the China Association for Public Companies. Prior to joining the Group, she served as the securities affairs representative and legal officer at Shanghai Golden Bridge Information Co., Ltd., a company listed on the Shanghai Stock Exchange (SSE: 603918) from July 2011 to October 2013, where she managed A-share IPO application and legal affairs. From November 2013 to March 2016, she worked at New Focus Auto Tech Holdings Limited, a company listed on the Hong Kong Stock Exchange (HKEX: 00360), responsible for handling information disclosure of listed company and managing legal affairs.

Ms. Fu received her master's degree in economic law from East China University of Political Science and Law in the PRC in June 2011. Ms. Fu holds the Legal Professional Qualification Certificate in PRC.

GENERAL

Save as disclosed above, none of the Directors or members of senior management of our Company has been a director of any public company the securities of which are listed on any securities market in Hong Kong or overseas in the three years immediately preceding the date of this Prospectus.

None of the Directors or members of the senior management of our Company is related to any other Directors and members of the senior management of our Company.

Save as disclosed herein, to the best knowledge, information and belief of our Directors having made all reasonable inquiries, there was no other matter with respect to the appointment of our Directors that needs to be brought to the attention of the Shareholders and there was no information relating to our Directors that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules as of the Latest Practicable Date.

DIRECTORS AND SENIOR MANAGEMENT

JOINT COMPANY SECRETARIES

Ms. Fu Xiao (傅曉) was appointed as a joint company secretary of our Company in June 2025 with effect from the Listing Date. See “— Senior Management” above for details of her biography.

Ms. Lai Siu Kuen was appointed as a joint company secretary of our Company in June 2025 with effect from the Listing Date. Ms. Lai is a Director of Company Secretarial Services of Tricor Services Limited. Ms. Lai has been working in professional firms and listed companies in-house company secretarial division and has accumulated over 25 years of experience in the corporate secretarial field. She has been providing professional corporate services to Hong Kong listed companies as well as multinational, private and offshore companies.

Ms. Lai is a Chartered Secretary, a Chartered Governance Professional and a Fellow of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. Ms. Lai received her bachelor’s degree in accountancy from The Hong Kong Polytechnic University.

BOARD COMMITTEES

Our Board delegates certain responsibilities to various committees. In accordance with the relevant PRC laws and regulations and the Corporate Governance Code, our Company has formed four Board committees, namely the Audit Committee, the Nomination Committee, the Remuneration and Evaluation Committee, and the Strategy and ESG Committee.

Audit Committee

We have established an Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of the Corporate Governance Code. Upon Listing, the Audit Committee will consist of three Directors, namely Dr. Li Ruoshan, Dr. Yuhua Cheng and Dr. Shan Hailing. Dr. Li Ruoshan, who holds the appropriate accounting or related financial management expertise as required under Rules 3.10(2) and 3.21 of the Listing Rules, will serve as the chairperson of the Audit Committee. The primary duties of the Audit Committee include, but not limited to, reviewing the Company’s financial information and its disclosure, monitoring and evaluating internal and external audit work and internal controls.

Nomination Committee

We have established a Nomination Committee with written terms of reference in compliance with paragraph B.3 of the Corporate Governance Code. Upon Listing, the Nomination Committee will consist of three Directors, namely Dr. Shan Hailing, Dr. Li Ruoshan and Dr. Howard C. Yang. Dr. Shan Hailing will serve as the chairperson of the Nomination Committee. The primary duties of the Nomination Committee include, but are not limited to, examining the qualifications of the candidates for our Board members and members of the senior management and making recommendations.

DIRECTORS AND SENIOR MANAGEMENT

Remuneration and Evaluation Committee

We have established a Remuneration and Evaluation Committee with written terms of reference in compliance with paragraph E.1 of the Corporate Governance Code. Upon Listing, the Remuneration and Evaluation Committee will consist of four Directors, namely Dr. Yuhua Cheng, Professor Ko Ping Keung, Dr. Shan Hailing and Ms. Fang Zhoujie. Dr. Yuhua Cheng will serve as the chairperson of the Remuneration and Evaluation Committee. The primary duties of the Remuneration and Evaluation Committee include, but are not limited to, formulating and assessing the evaluation criteria for the Company's Directors and senior management, as well as the development and review of the compensation policies and plans for the Company's Directors and senior management.

Strategy and ESG Committee

We have established a Strategy and ESG Committee. Upon Listing, the Strategy and ESG Committee will consist of four Directors, namely Dr. Howard C. Yang, Mr. Stephen Tai, Dr. Wang Rui and Professor Ko Ping Keung. Dr. Howard C. Yang will serve as the chairperson of the Strategy and ESG Committee. The primary duties of the Strategy and ESG Committee include, among others, (i) studying and making recommendations on the Company's long-term development strategy; (ii) reviewing the Company's sustainable development, ESG-related strategic plans, and overseeing the implementation of the same; (iii) focusing on ESG-related risks and opportunities that have a significant impact on the Company's business, and making corresponding recommendations where appropriate; and (iv) reviewing the Company's annual ESG report.

CONFIRMATION FROM OUR DIRECTORS

Rule 8.10 of the Listing Rules

Each of our Directors confirms that as of the Latest Practicable Date, he or she did not have any interest in a business which competes or is likely to compete, either directly or indirectly, with our Company's business which would require disclosure under Rule 8.10 of the Listing Rules.

Rule 3.09D of the Listing Rules

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules in July 2025, and (ii) understands his or her obligations as a director of a listed issuer under the Listing Rules.

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 has 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.

DIRECTORS AND SENIOR MANAGEMENT

COMPENSATION OF DIRECTORS

Our Directors receive compensation in the form of fees, salaries, allowances, discretionary bonuses, share-based compensation, pension scheme contributions and social welfare before taxation and other benefits in kind.

For the years ended December 31, 2022, 2023 and 2024 and nine months ended September 30, 2025, the aggregate amount of compensation paid or payable to our Directors amounted to RMB53.4 million, RMB34.4 million, RMB51.8 million, and RMB464.5 million respectively.

Under the current compensation arrangement, we estimate the total compensation to be accrued to our Directors for the year ending December 31, 2026 to be approximately RMB344.4 million.

The total emoluments for the remaining three individuals (who are not Directors nor chief executive of the Company) among the five highest paid individuals amounted to RMB19.7 million, RMB24.6 million, RMB14.2 million and RMB12.8 million for the years ended December 31, 2022, 2023, 2024, and the nine months ended September 30, 2025, respectively.

During the Track Record Period, no remuneration was paid by our Company to, or receivable by, our Directors or the five highest paid individuals as an inducement to join or upon joining our Company or as compensation for loss of office in connection with the management positions of our Company or any of our subsidiaries.

During the Track Record Period, none of our Directors waived any remuneration. Save as disclosed above, no other payments have been paid, or are payable, by our Company or any of our subsidiaries to our Directors or the five highest paid individuals during the Track Record Period.

For additional information on Directors' remuneration during the Track Record Period as well as information on the highest paid individuals, please see Note 8 and Note 9 to the Accountants' Report set out in Appendix I to this Prospectus. For the details of the share awards that were granted to our Directors and senior management, see "Statutory and General Information — Employee Incentive Plans" in Appendix V for further details.

CORPORATE GOVERNANCE

Our Company aims to achieve high standards of corporate governance which are crucial to our development and safeguard the interests of our Shareholders. To accomplish this, we expect to comply with the Corporate Governance Code set out in Appendix C1 to the Listing Rules and the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules after the Listing.

DIRECTORS AND SENIOR MANAGEMENT

Pursuant to Code Provision C.2.1 of part 2 of the Corporate Governance Code as set out in Appendix C1 of the Listing Rules, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the responsibilities between the chairperson and the chief executive should be separate and should not be performed by the same individual. We do not have a separate chairperson and chief executive officer and Dr. Howard C. Yang currently performs these two roles. The Board believes that vesting the roles of both chairperson and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairperson of the Board and the chief executive officer of our Company if and when it is appropriate taking into account the circumstances of our Group as a whole.

BOARD DIVERSITY POLICY

In order to enhance the effectiveness of our Board and to maintain the high standard of corporate governance, we have adopted the board diversity policy which sets out the objective and approach to achieve and maintain diversity of our Board. Pursuant to the board diversity policy, we seek to achieve board diversity through the consideration of a number of factors when selecting the candidates to our Board, including but not limited to gender, skills, age, professional experience, knowledge, cultural and educational background, and length of service. The ultimate decision of the appointment will be based on merit and the contribution which the selected candidates will bring to our Board.

Our Directors have a balanced mix of knowledge and skills, including overall management and strategic development, legal, academia, compliance, accounting and corporate governance in addition to industry experience. Upon Listing, we have four independent non-executive Directors with different industry backgrounds, representing more than one-third of the members of our Board. Our Company has evaluated the structure, size and composition of our Board, and is of the opinion that the structure of our Board is reasonable, and the experience and skills of the Directors in various aspects and fields can enable our Company to maintain a high standard of operations.

Besides, we particularly recognize the importance of gender diversity. Pursuant to our board diversity policy, we aim to continue to have at least 10% female representation in the Board and the current composition of the Board satisfies this target gender ratio with three female Directors. We have taken, and will continue to take, steps to promote gender diversity at all levels of our Company, including but without limitation to our Board and senior management levels. Upon Listing, we will have 37.5% female representation in the Board. Going forward, we will continue to work to maintain gender diversity of our Board when selecting and recommending suitable candidates for Board appointments. Our Company also intends to promote gender diversity at the mid to senior level so that our Company can maintain

DIRECTORS AND SENIOR MANAGEMENT

a balanced gender ratio at different levels. Taking into account our existing business model and specific needs as well as the different background of our Directors, the composition of our Board satisfies our board diversity policy.

Our Nomination Committee is responsible for ensuring the diversity of our Board members. After the Listing, our Nomination Committee will examine the board diversity policy from time to time to ensure its continued effectiveness and we will disclose in our corporate governance report about the implementation of the board diversity policy on an annual basis.

COMPLIANCE ADVISER

We have appointed Altus Capital Limited as our Compliance Adviser pursuant to Rules 3A.19 and 3A.23 of the Listing Rules. The Compliance Adviser will provide us with guidance and advice as to compliance with the Listing Rules and other applicable laws, rules, codes and guidelines. Pursuant to Rule 3A.23 of the Listing Rules, the Compliance Adviser will advise our Company in certain circumstances including:

- (a) before the publication of any regulatory announcement, circular or financial report;
- (b) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues, sales or transfers of treasury shares and share repurchases;
- (c) where we propose to use the proceeds from 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 to our Company regarding unusual movements in the price or trading volume of its listed securities or any other matters in accordance with Rule 13.10 of the Listing Rules.

Pursuant to Rule 3A.24 of the Listing Rules, the Compliance Adviser will, on a timely basis, inform our Company of any amendment or supplement to the Listing Rules that are announced by the Stock Exchange. The Compliance Adviser will also inform our Company of any new or amended law, regulation or code in Hong Kong applicable to us, and advise us on the applicable requirements under the Listing Rules and laws and regulations.

The term of the appointment will commence on the Listing Date and is expected to end on the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the Listing.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, as of the Latest Practicable Date and immediately following the completion of the Global Offering and assuming the Over-allotment Option is not exercised, no new Shares are issued under the Employee Incentive Plans and no other changes are made to the issued share capital of the Company between the Latest Practicable Date and the Listing, the following persons will have an interest and/or short position in the Shares or the underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, will, directly or indirectly, be interested in 10% or more of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company:

Name of Shareholder	Capacity/Nature of interest	As of the Latest Practicable Date		Immediately following the completion of the Global Offering ⁽⁸⁾		
		Number of Shares ⁽¹⁾	Approximate percentage of interest in our Company	Number of Shares	Approximate percentage of shareholding in our A Shares/H Shares	Approximate percentage of interest in our Company
Mr. Tai Kuai Lap ⁽²⁾⁽³⁾	Interest in controlled corporations	82,918,511	7.23%	82,918,511 A Shares	7.23%	6.84%
Zhuhai Rongying ⁽²⁾	Beneficial interest	37,905,987	3.31%	37,905,987 A Shares	3.31%	3.13%
WLT Partners ⁽³⁾	Beneficial interest	45,012,524	3.93%	45,012,524 A Shares	3.93%	3.71%
J.P. Morgan Investment Management Inc. ⁽⁴⁾	Investment manager	–	–	4,814,800 H Shares	7.31%	0.40%
UBS Asset Management (Singapore) Ltd. ⁽⁵⁾	Investment manager	–	–	4,814,800 H Shares	7.31%	0.40%
Yunfeng Investments Limited ⁽⁶⁾	Interest in controlled corporations	–	–	4,814,800 H Shares	7.31%	0.40%
Alisoft China Holding Limited ⁽⁷⁾	Beneficial interest	–	–	4,012,400 H Shares	6.09%	0.33%

Notes:

- (1) All interests stated are long positions in the Shares.
- (2) Zhuhai Rongying is a limited partnership established in the PRC on February 4, 2016. Its general partners are Ms. Yang Chongyi (楊崇頤) and Ms. Bai Xue (白雪), an Independent Third Party, holding 0.01% and 0.01% of the interest therein, respectively. Ms. Yang Chongyi is Dr. Howard C. Yang's sister. The limited partners of Zhuhai Rongying are Jiaying Huguang Investment Partnership (Limited Partner) (嘉興和光投資合夥企業(有限合夥)) and HARMONIALUX HOLDINGS (HONG KONG) LIMITED, holding 98.30% and 1.68% of the interest therein, respectively. The general partner of Jiaying Huguang Investment Partnership (Limited Partner) is Ms. Bai Xue holding 0.10% therein. The limited partners of Jiaying Huguang Investment Partnership (Limited Partner) are HARMONIALUX HOLDINGS (HONG KONG) LIMITED, holding 80% therein, and Zhuting Culture Communication (Shanghai) Co., Ltd. (竹汀文化傳播(上海)有限公司), holding 19.90% therein, which is in turn wholly-owned by HARMONIALUX HOLDINGS (HONG KONG) LIMITED, a

SUBSTANTIAL SHAREHOLDERS

company held as to 70% by Mr. Tai Kuai Lap, Mr. Stephen Tai's father. Neither HARMONIALUX HOLDINGS (HONG KONG) LIMITED nor Mr. Tai Kuai Lap has any veto rights in the partnership meeting of Zhuhai Rongying. As such, each of Ms. Yang Chongyi, Ms. Bai Xue, HARMONIALUX HOLDINGS (HONG KONG) LIMITED, Jiaxing Huguang Investment Partnership (Limited Partner) and Mr. Tai Kuai Lap is deemed to be interested in the Shares beneficially owned by Zhuhai Rongying under the SFO.

- (3) The general partner of WLT Partners is WYK Co., Ltd. holding 9% of the interest. WYK Co., Ltd. is wholly-owned by Mr. Tai Kuai Lap. The limited partners of WLT Partners are Dr. Howard C. Yang and Mr. Stephen Tai, holding 45.5% and 45.5% of the interest, respectively. As such, each of Dr. Howard C. Yang, Mr. Stephen Tai, WYK Co., Ltd. and Mr. Tai Kuai Lap is deemed to be interested in the Shares beneficially owned by WLT Partners under the SFO.
- (4) J.P. Morgan Investment Management Inc. is a cornerstone investor of the Company and will subscribe for 4,814,800 H Shares based on Offer Price of HK\$106.89, being the maximum Offer Price set out in this Prospectus, in its capacity as the investor advisor or investment manager for and on behalf of funds. For further information about J.P. Morgan Investment Management Inc., please refer to the section headed "Cornerstone Investors".
- (5) UBS Asset Management (Singapore) Ltd. is a cornerstone investor of the Company and will subscribe for 4,814,800 H Shares based on Offer Price of HK\$106.89, being the maximum Offer Price set out in this Prospectus, in its capacity as the investment manager for and on behalf of funds. For further information about UBS Asset Management (Singapore) Ltd., please refer to the section headed "Cornerstone Investors".
- (6) New Alternative Limited and New Golden Future Limited are cornerstone investors of the Company and will subscribe for 3,282,800 and 1,532,000 H Shares based on Offer Price of HK\$106.89, being the maximum Offer Price set out in this Prospectus. Both New Alternative Limited and New Golden Future Limited are wholly owned subsidiary of Yunfeng Investments Limited. Yunfeng Investments Limited is majority-owned and controlled by Mr. Yu Feng. For further information about New Alternative Limited and New Golden Future Limited, please refer to the section headed "Cornerstone Investors".
- (7) Alisoft China Holding Limited is a cornerstone investor of the Company and will subscribe for 4,012,400 H Shares based on Offer Price of HK\$106.89, being the maximum Offer Price set out in this Prospectus. Alisoft China Holding Limited is a limited liability company incorporated in Hong Kong and an indirect wholly-owned subsidiary of Alibaba Group Holding Limited.
- (8) Assuming no exercise of the Over-allotment Option, no new Shares are issued under the Employee Incentive Plans and no other changes are made to the issued share capital of the Company between the Latest Practicable Date and the Listing.

Save as disclosed above and the section headed "Statutory and General Information — C. Further Information about our Directors and Substantial Shareholders" in Appendix V to this Prospectus, our Directors are not aware of any person who will, as of the Latest Practicable Date and immediately following completion of the Global Offering (assuming that the Over-allotment Option is not exercised, no new Shares are issued under the Employee Incentive Plans and no other changes are made to the issued share capital of the Company between the Latest Practicable Date and the Listing), have any interest and/or short position in the Shares or underlying Shares of our Company which will be required to be disclosed to our Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who are, directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of the Company or any other member of our Group.

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 International 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 US\$450 million (or approximately HK\$3,509.0 million, calculated based on the exchange rate set out in the section headed “Information about this Prospectus and the Global Offering — Exchange Rate Conversion” in this Prospectus) (the “**Cornerstone Placing**”). The aggregate amount of the investment contributed by the Cornerstone Investors does not include brokerage, SFC transaction levy, AFRC transaction levy and Hong Kong Stock Exchange trading fee which the Cornerstone Investors will pay in respect of the International Offer Shares to be subscribed by them.

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 all Cornerstone Investors (the “**Cornerstone Placing Allocation Limit**”). Each of the Cornerstone Investors has agreed in their respective Cornerstone Investment Agreements 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 relevant Cornerstone Investor 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 in the event that the final Offer Price is set at HK\$106.51 or lower, 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 February 6, 2026.

CORNERSTONE INVESTORS

Based on an Offer Price of HK\$106.89, being the maximum Offer Price set out in this Prospectus, the total number of Offer Shares to be subscribed by the Cornerstone Investors would be 32,828,000 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 Date (or the date of exercise of Over-allotment Option (where applicable)).

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 Shares in issue	Approximate % of the Offer Shares	Approximate % of the Shares in issue
49.82%	2.71%	43.32%	2.69%

We believe that the Cornerstone Placing signifies our Cornerstone Investors' confidence in our Company and its business prospect, and that the Cornerstone Placing will help to raise the profile of our Company. Our Company became acquainted with each of the Cornerstone Investors during its ordinary course of operations, either through the Group's business network or through introduction by the Overall Coordinators and Capital Market Intermediaries in the Global Offering.

To the best knowledge of the Company, among the Cornerstone Investors, JPMIMI, abrdn Asia, Barings and Taikang Life (all as defined below) are our existing Shareholder or close associates of our existing Shareholders. The Stock Exchange has granted a waiver from strict compliance with the requirements under Rule 10.04 of the Listing Rules and consent under paragraph 1C(2) of Appendix F1 to the Listing Rules to permit offer shares in the International Offering to be placed to certain existing Shareholders and/or their close associates. For further details, please see the section headed "Waivers and Exemptions".

Save for such certain Cornerstone Investors who are our existing Shareholder or close associates of our existing Shareholders as disclosed above, to the best knowledge of our Company, (i) each of the Cornerstone Investors is independent of the other Cornerstone Investors, our Group, our connected persons and their respective associates, and is not an existing Shareholder or a close associate of our Group; (ii) none of the Cornerstone Investors is accustomed to taking instructions from our Company, the Directors, chief executive, our single largest group of Shareholders or any of their respective subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Offer Shares; (iii) none of the subscription of the relevant Offer Shares by any of the Cornerstone Investors is financed by our Company, the Directors, chief executive, our single largest group of Shareholders, existing Shareholders or any of their respective subsidiaries or their respective close associates; and (iv) no approval from other stock exchange is required for each Cornerstone Investor's investment in our Company as described in this section.

CORNERSTONE INVESTORS

The Cornerstone Placing will form part of the International Offering, and save as otherwise consented from the Stock Exchange, the Cornerstone Investors (and, for Cornerstone Investor who will subscribe for our Offer Shares through qualified domestic institutional investor (“**QDII**”, both the relevant Cornerstone Investor and the QDII) 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 Investor who will subscribe for our Offer Shares through QDII, the QDII) will rank *pari passu* in all respects with the fully paid Shares in issue and all the Shares to be subscribed by the Cornerstone Investors will be counted towards the public float for the purpose of Rule 8.08 of the Listing Rules. Immediately following the completion of the Global Offering, the Cornerstone Investors will not have any Board representation in our Company; and none of the Cornerstone Investors will become a substantial shareholder of our Company. Other than a guaranteed allocation of the relevant Offer Shares at the Offer Price, the Cornerstone Investors do not have any preferential rights in the Cornerstone Investment Agreements compared with other public Shareholders. There are no side 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.

The Cornerstone Investors have agreed to pay in full for the relevant Offer Shares that they have subscribed before dealings in the Company’s Shares commence on the Stock Exchange. There will be no deferred settlement of the Offer Shares to be subscribed by the Cornerstone Investors. Where delayed delivery takes place, each Cornerstone Investor 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 Investor who will subscribe for our Offer Shares through QDII, both the relevant Cornerstone Investor and the QDII) may be affected by reallocation of the Offer Shares between the International Offering and the Hong Kong Public Offering as described in the paragraph headed “Structure of the Global Offering — The Hong Kong Public Offering — Reallocation” in this Prospectus. The number of Offer Shares to be acquired by each Cornerstone Investor may be reduced on a pro rata basis in accordance with the terms of the Cornerstone Investment Agreement to satisfy the short fall, after taking into account the requirements under Appendix F1 to the Listing Rules as well as the discretion of the Overall Coordinators on behalf of the International Underwriters to exercise the Over-allotment Option.

To the best knowledge of our Company, the Cornerstone Investors (and, for Cornerstone Investor who will subscribe for our Offer Shares through QDII, both the relevant Cornerstone Investor and the QDII) make independent investment decisions, their subscription under the Cornerstone Investment Agreements would be financed by their own internal resources, financial resources of their shareholders, or (in the case of Cornerstone Investors which are

CORNERSTONE INVESTORS

funds or investment managers) the assets managed for their investors as the source of funding for the subscription of the Offer Shares, and they each have sufficient funds to settle their respective investments under the Cornerstone Placing. Each of the Cornerstone Investors has confirmed that all necessary approvals have been obtained with respect to the Cornerstone Placing.

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 February 6, 2026.

THE CORNERSTONE INVESTORS

The information about our Cornerstone Investors set forth below has been provided by our Cornerstone Investors in connection with the Cornerstone Placing.

JPMIMI

J.P. Morgan Investment Management Inc. (“JPMIMI”), a company incorporated in Delaware in February 1984, has entered into a cornerstone investment agreement with the Company, the Joint Sponsors and the Sponsor-Overall Coordinators, in its capacity as the investment advisor or investment manager for and on behalf of the following fund(s):

- i. JPMorgan Funds — Emerging Markets Opportunities Fund
- ii. JPMorgan Funds — Emerging Markets Equity Fund
- iii. JPMorgan Emerging Markets Equity Fund
- iv. JPMorgan Fund ICVC — JPM Emerging Markets Fund
- v. Global Emerging Markets Discovery Fund, LLC; and
- vi. certain other pooled funds, segregated accounts and mandates.

To the best of JPMIMI’s knowledge, no single ultimate beneficial owner holds 30% or more interest in those funds.

JPMIMI is a wholly owned subsidiary of JPMorgan Asset Management Holdings Inc., an investment management company, which is ultimately wholly owned by JPMorgan Chase & Co., which is a company organized under United States, Delaware law as a corporation that has issued shares of common stock to investors. JPMorgan Chase & Co.’s shares are listed on the New York Stock Exchange (stock code: JPM). JPMIMI is registered with the Securities and Exchange Commissions as an investment advisor. JPMIMI has a London branch subject to regulation under the FCA. JPMIMI is also registered with the US Commodities Future Trading Commission.

UBS AM

UBS Asset Management (Singapore) Ltd. (“**UBS AM**”), a company incorporated in Singapore in December 1993, has entered into a cornerstone investment agreement with the Company and the Joint Sponsors, in its capacity as the investment manager for and on behalf of the following fund: (i) UBS (Lux) Equity Fund — Greater China (USD); (ii) UBS (Lux) Equity Fund — China Opportunity (USD); (iii) UBS (HK) Fund Series — China Opportunity Equity (USD); (iv) UBS (Lux) Equity SICAV — All China (USD); (v) UBS (Lux) Investment SICAV — China A Opportunity (USD); (vi) UBS (CAY) China A Opportunity; and (vii) certain other segregated accounts and mandates. UBS AM is a wholly owned subsidiary of UBS Asset Management AG, an investment management company, which is wholly ultimately owned by UBS Group AG, which is a company organized under Swiss law as a corporation that has issued shares of common stock to investors. UBS Group AG’s shares are listed on the SIX Swiss Exchange (stock code: UBSG) and the New York Stock Exchange (stock code: UBS). No single ultimate beneficial owner holds 30% or more interests in those funds and segregated accounts and mandates.

UBS AM, UBS Securities Hong Kong Limited and UBS AG Hong Kong Branch are members of the same group of companies. As a result, UBS AM is a connected client of UBS Securities Hong Kong Limited and UBS AG Hong Kong Branch. For further details, please see the section headed “Waivers and Exemptions”.

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, who is an Independent Third Party. The other minority shareholder is an Independent Third Party.

New Golden Future

New Golden Future Limited (“**New Golden Future**”) is a limited liability company incorporated in the British Virgin Islands, 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 stakeholder is an Independent Third Party.

Mr. Yu Feng is the co-founder and chairman of Yunfeng Capital, and the chairman and non-executive director of Yunfeng Financial Group Limited, a company listed on the Stock Exchange (stock code: 376).

Alisoft China

Alisoft China Holding Limited (“**Alisoft China**”) is a limited liability company incorporated in Hong Kong and an indirect wholly-owned subsidiary of Alibaba Group Holding Limited (“**Alibaba Group**”). Alisoft China is the holding company of certain PRC subsidiaries of Alibaba Group primarily involved in the operation of cloud computing business. Alibaba Group is a company incorporated in the Cayman Islands, with its American depositary shares, each representing eight ordinary shares, listed on the New York Stock Exchange (Stock Symbol: BABA), and its ordinary shares listed on the Main Board of the Stock Exchange (Stock Code: 9988). Alibaba Group’s mission is to make it easy to do business anywhere. Alibaba Group aims to build the future infrastructure of commerce and envisions that its customers will meet, work and live at Alibaba, and that it aspires to be a good company that will last for 102 years. Alibaba Group’s core businesses are comprised of e-commerce and cloud computing.

Aspex

Aspex Master Fund (“**Aspex**”) is a company incorporated and registered as a mutual fund in the Cayman Islands. Aspex is managed by Aspex Management (HK) Limited (“**Aspex Management**”), a company incorporated in Hong Kong and licensed by the Securities and Futures Commission of Hong Kong to carry out type 9 (asset management) regulated activities in Hong Kong. Mr. Li Ho Kei is the ultimate beneficial owner of Aspex Management and controls the voting rights of Aspex, in each case through a holding entity. Save for Mr. Li Ho Kei, no investor holds an ultimate beneficial ownership of 30% or more in Aspex or Aspex Management.

Janchor Fund

Janchor Partners Pan-Asian Master Fund (“**Janchor Fund**”) is an 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, favorable 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 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 Janchor Fund’s total capital.

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abrdn Asia

The subscription of the H Shares as a Cornerstone Investor will be made by abrdn Asia Limited (“**abrdn Asia**”) in its capacity as investment manager on a discretionary basis for and on behalf of abrdn SICAV I — Asia Pacific Sustainable Equity Fund, abrdn SICAV I — China A Share Sustainable Equity Fund and abrdn OEIC I — abrdn Asia Pacific Equity Fund. There is no individual who has a beneficial ownership interest of 30% or greater in abrdn SICAV I — Asia Pacific Sustainable Equity Fund, abrdn SICAV I — China A Share Sustainable Equity Fund and abrdn OEIC I — abrdn Asia Pacific Equity Fund.

abrdn Asia is incorporated in Singapore and is a wholly-owned indirect subsidiary of Aberdeen Group plc. In Singapore, abrdn Asia provides investors with a range of institutional services as well as an extensive range of locally-run single country, regional and global funds. It holds a capital markets services license and is regulated by the Monetary Authority of Singapore.

The shares of Aberdeen Group plc are listed on the London Stock Exchange under ticker: ABDN.

Barings

Baring Asset Management (Asia) Limited (“**Barings**”) is a subsidiary of Barings LLC which is part of the Barings Group. Barings Group is an over US\$470 billion (assets under management as of September 30, 2025) global asset management firm that partners with institutional, insurance, and intermediary clients, and supports leading businesses with flexible financing solutions. Barings LLC is a subsidiary of Massachusetts Mutual Life Insurance Company (“**MassMutual**”), seeks to deliver excess returns by leveraging its global scale and capabilities across public and private markets in fixed income, real assets and capital solutions. MassMutual is a U.S. based mutual life insurance company founded in 1851. MassMutual provides insurance, retirement, and related financial products primarily in the United States. MassMutual is the ultimate parent of Barings LLC. Barings forms MassMutual’s global investment management platform and operates independently within the group’s governance and risk management framework.

Barings in its capacity as the investment manager for and on behalf of certain fund(s) and discretionary investment account(s) participates in this cornerstone investment. The fund under management which will beneficially own the subscribed shares is Barings International Umbrella Fund — Barings Hong Kong China Fund, a SFC authorized fund. Currently, no investor holds beneficial ownership of 30% or more in the fund.

Mirae Asset

Mirae Asset Securities Co., Ltd. (“**Mirae Asset**”) is one of the largest investment banks incorporated in the Republic of Korea, providing a comprehensive range of financial services, including brokerage, wealth management, investment banking, sales & trading, and principal

CORNERSTONE INVESTORS

investments. The company is ultimately controlled by Mirae Asset Capital Co., Ltd., a financial investment company incorporated in the Republic of Korea. The company engages primarily in corporate lending, structured finance, and strategic investments. Mirae Asset is listed on the Korea Exchange under stock code 006800.KS.

AGIC

AGIC Partners Holding (Cayman) II Limited (“**AGIC**”) is an exempted company incorporated under the laws of the Cayman Islands and a registered person under the supervision of the Cayman Islands Monetary Authority. AGIC is a wholly-owned subsidiary of AGIC Fund II L.P. (“**AGIC Fund**”), a Cayman Islands exempted limited partnership managed by Asia-Germany Industrial Promotion (Cayman) Limited, a registered person under the supervision of the Cayman Islands Monetary Authority. AGIC is ultimately controlled by Mr. Hongping Cai, an Independent Third Party. AGIC provides capital and strategic support for leading companies across the globe in sectors including advanced industrial and healthcare technology. There is no single investor holding 30% or more interest in AGIC through AGIC Fund.

Hel Ved

Hel Ved Master Fund (“**Hel Ved**”) is an exempted company incorporated in the Cayman Islands and registered with the Cayman Islands Monetary Authority since 2020. It is managed by Hel Ved Capital Management Limited, a company incorporated in Hong Kong and licensed by the Securities and Futures Commission of Hong Kong to carry on type 4 (advising on securities) and type 9 (asset management) regulated activity. Mr. Yunmin Chai is the founder, chief investment officer and ultimate beneficial owner of Hel Ved Capital Management Limited. Hel Ved’s investment objective is to preserve capital and seek risk adjusted absolute returns, through investing primarily in Asia driven technology, media, communications and consumer discretionary companies, and selectively in companies adopting technology in other sectors. The Fund has professional investors including private banks, global family offices, funds of funds, foundations and high net worth individuals. There is no single investor who holds 30% or more in Hel Ved from a beneficial ownership perspective.

Huaqin Telecom

Huaqin Telecom Hong Kong Limited (“**Huaqin Telecom**”), registered and established in Hong Kong, China in June 2006, is a wholly-owned subsidiary of Huaqin Technology Co., Ltd. (“**Huaqin Technology**”, stock code: 603296.SH), serving as the overseas holding platform of Huaqin Technology in Hong Kong. Huaqin Technology is a globally leading intelligent product company with over 20 years of experience in the intelligent product sector. Huaqin Technology was listed on the main board of the Shanghai Stock Exchange in August 2023.

Huadeng Technology

Huadeng Summit Fortitude Ventures Ltd (“**Huadeng Technology**”) is a company incorporated in the British Virgin Islands. Huadeng Technology and its affiliates have a profound background in the semiconductor industry and investment. There is no shareholder holding 30% or more of the shareholding interests in Huadeng Technology.

PSBC Wealth

PSBC Wealth Management Co., Ltd. (“**PSBC Wealth**”) was established on December 18, 2019, with a registered capital of RMB8.0 billion, in which Postal Savings Bank of China Co., Ltd., a company listed on the Main Board of the Stock Exchange (stock code: 1658), holds a 100% stake and is ultimately controlled by China Post Group Corporation Limited. Its business scope is public issuance of wealth management products to the general public, investment and management of entrusted assets for investors; non-public issuance of wealth management products to eligible investors, investment and management of entrusted assets for investors; financial advisory and consulting services, etc. PSBC Wealth remained firmly committed to balanced development of scale, quality and profitability, aimed at fostering core competitiveness, deepened investment analysis, marketing, internal control, operational reforms and digital transformation, and continued to improve the rule-based, specialized and market-oriented development of wealth management business. PSBC Wealth invests on behalf of 5 wealth management products (the “**Wealth Management Products**”) managed by it on a discretionary basis with total assets under management (AUM) amounting to approximately RMB91 billion. The Offer Shares to be subscribed by PSBC Wealth constitute part of the underlying assets of the Wealth Management Products managed by it on a discretionary basis. There is no single ultimate beneficial owner holding 30% in the Wealth Management Products.

The Offer Shares to be allocated to PSBC Wealth will be held through GF Securities Asset Management (Guangdong) Co., Ltd. (“**GF Securities AM**”), an asset manager that is a QDII as approved by the relevant PRC authority, on a discretionary basis on behalf of PSBC Wealth.

GF Securities AM is a direct wholly-owned subsidiary of GF Securities Co., Ltd. (stock code: 1776).

Taikang Life

Taikang Life Insurance Co., Ltd (“**Taikang Life**”), a company incorporated in China, is a wholly owned subsidiary of Taikang Insurance Group Inc. Taikang Life is investing on a proprietary basis. There is no shareholder holding 30% or more in Taikang Insurance Group Inc. Taikang Life provides a full range of personal security and investment and wealth management products and services for individuals and families. The products on offer correspond to the different requirements of customers in terms of market segments such as the children and teenagers, females and high-income population groups. They also meet multidimensional demands regarding health care and accident cover, pensions and wealth management, among others. Taikang Insurance Group Inc. is an insurance and financial service

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conglomerate focused on insurance, asset management and health and elderly care as main businesses. The Beijing-headquartered company consists of several subsidiaries including Taikang Life, Taikang AMC, Taikang Pension, Taikang Healthcare, Taikang Health, and TK.CN. Its product offering covers life insurance, internet-based financial insurance, enterprise annuity, asset management, health and elderly care, health management and commercial real estate, among others.

MY Asian

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, which is indirectly wholly-owned by Masahiko Yamaguchi, an Independent Third Party. 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.

Qube

Qube Master Fund Ltd (“**Qube**”) is an exempted company incorporated in the Cayman Islands. Qube is sub-managed by Qube Research & Technologies Hong Kong Limited (“**QRT HK**”) and certain affiliates of QRT HK (collectively “**QRT**”). There is no beneficial owner holding 30% or more of the shares in Qube or in QRT HK. QRT HK is a company incorporated in Hong Kong and licensed by the SFC to carry on type 1 (dealing in securities) and type 9 (asset management) regulated activity. QRT is a global investment manager and deploys a diverse range of investment strategies across geographies, asset classes and time frames, combining data, research, technology, and trading expertise.

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The tables below set forth the aggregate number of Offer Shares, and the corresponding percentages to the Offer Shares and our Company's total issued share capital under the Cornerstone Placing:

Based on the Offer Price of HK\$106.89 as the indicative offer price (being the maximum Offer Price)

Cornerstone Investor	Investment amount ⁽¹⁾	Number of Offer Shares ⁽²⁾	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 Shares in issue	Approximate % of the Offer Shares	Approximate % of the Shares in issue
	(US\$ in millions)					
JPMIMI	66	4,814,800	7.31%	0.40%	6.35%	0.39%
UBS AM	66	4,814,800	7.31%	0.40%	6.35%	0.39%
Yunfeng Capital						
<i>New Alternative</i>	45	3,282,800	4.98%	0.27%	4.33%	0.27%
<i>New Golden Future</i>	21	1,532,000	2.33%	0.13%	2.02%	0.13%
Alisoft China	55	4,012,400	6.09%	0.33%	5.30%	0.33%
Aspex	42	3,064,000	4.65%	0.25%	4.04%	0.25%
Janchor Fund	42	3,064,000	4.65%	0.25%	4.04%	0.25%
abrdn Asia	19	1,386,100	2.10%	0.11%	1.83%	0.11%
Barings	15	1,094,200	1.66%	0.09%	1.44%	0.09%
Mirae Asset	15	1,094,200	1.66%	0.09%	1.44%	0.09%
AGIC	10	729,500	1.11%	0.06%	0.96%	0.06%
Hel Ved	10	729,500	1.11%	0.06%	0.96%	0.06%
Huaqin Telecom	10	729,500	1.11%	0.06%	0.96%	0.06%
Huadeng Technology	8	583,600	0.89%	0.05%	0.77%	0.05%
PSBC Wealth	8	583,600	0.89%	0.05%	0.77%	0.05%
Taikang Life	8	583,600	0.89%	0.05%	0.77%	0.05%
MY Asian	5	364,700	0.55%	0.03%	0.48%	0.03%
Qube	5	364,700	0.55%	0.03%	0.48%	0.03%
Total	450	32,828,000	49.82%	2.71%	43.32%	2.69%

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 — Exchange Rate Conversion" in this Prospectus. The number of Offer Shares to be subscribed by the Cornerstone Investors are subject to the exchange rate to be determined in accordance with each relevant Cornerstone Investment Agreement.
- (2) Rounded down to the nearest whole board lot of 100 H Shares, and is calculated based on the exchange rate set out in the section headed "Information about this Prospectus and the Global Offering — Exchange Rate Conversion" in this Prospectus.

CORNERSTONE INVESTORS

CLOSING CONDITIONS

The obligation of each of the Cornerstone Investors to subscribe for the Offer Shares under their 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 respective original terms or as subsequently waived or varied by agreement of the parties thereto) by no later than the time and date as specified in the 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 International Offer Price having been agreed according to the Hong Kong Underwriting Agreement, the International Underwriting Agreement and the 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 Shares (including the Shares 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 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 each 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 Cornerstone Investors under their respective Cornerstone Investment Agreement are and will be accurate, true and complete in all material respects and not misleading or deceptive and that there is no material breach of the respective Cornerstone Investment Agreement on the part of the relevant Cornerstone Investor.

RESTRICTIONS ON THE CORNERSTONE INVESTORS

Each Cornerstone Investor has agreed that it will not, whether directly or indirectly, at any time during the period of six months from and including the Listing Date (the “**Lock-up Period**”), dispose of any of the Offer Shares they have purchased pursuant to the relevant Cornerstone Investment Agreements, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restriction, as the case maybe.

SHARE CAPITAL

This section presents certain information regarding our share capital before and upon completion of the Global Offering.

BEFORE THE GLOBAL OFFERING

As of the Latest Practicable Date, the issued share capital of our Company was 1,146,426,521 A Shares of nominal value of RMB1.00 each, all of which are listed on the Shanghai Stock Exchange STAR Market.

Description of Shares	Number of Shares	Percentage of issued share capital (%)
A Shares in issue	1,146,426,521	100.00
Total	<u>1,146,426,521</u>	<u>100.00</u>

UPON COMPLETION OF THE GLOBAL OFFERING

Immediately following completion of the Global Offering, assuming that the Over-allotment Option is not exercised, no new Shares are issued under the Employee Incentive Plans and no other changes are made to the issued share capital of the Company between the Latest Practicable Date and the Listing, the issued share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage of the enlarged issued share capital (%)
A Shares in issue	1,146,426,521	94.5650
H Shares to be issued under the Global Offering	<u>65,890,000</u>	<u>5.4350</u>
Total	<u>1,212,316,521</u>	<u>100.00</u>

Immediately following completion of the Global Offering, assuming that the Over-allotment Option is fully exercised, no new Shares are issued under the Employee Incentive Plans and no other changes are made to the issued share capital of the Company between the Latest Practicable Date and the Listing, the issued share capital of our Company will be as follows:

Description of Shares	Number of Shares	Approximate percentage of the total share capital of our Company (%)
A Shares in issue	1,146,426,521	93.8002
H Shares to be issued under the Global Offering	<u>75,773,500</u>	<u>6.1998</u>
Total	<u>1,222,200,021</u>	<u>100.00</u>

SHARE CAPITAL

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. Shanghai-Hong Kong Stock Connect has established a stock connect mechanism between mainland China 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 Shanghai-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 Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect.

RANKING

Our H Shares and our 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 our A Shares will receive share 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.

SHARE CAPITAL

APPROVAL FROM HOLDERS OF A SHARES REGARDING THE GLOBAL OFFERING

We have obtained approval from our holders of A Shares to issue H Shares and seek the listing of H Shares on the Hong Kong Stock Exchange. Such approval was obtained at the general meeting of our Company held on July 7, 2025 upon, among other things, the following major terms:

(1) Size of the offer

The proposed number of H Shares to be offered initially shall not exceed 9% of the total issued share capital as 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 total number of H Shares to be offered initially under the Global Offering.

(2) Method of offering

The method of offering shall be by way of a public offer for subscription in Hong Kong and an international offering to institutional and professional investors.

(3) Target investors

The H Shares shall be issued to overseas institutional investors, enterprises and individual investors, qualified domestic institutional investors and other investors in compliance with regulatory requirements.

(4) Price determination basis

The issue price of the H Shares will be determined after due consideration of the interests of existing Shareholders, the acceptance of investors, domestic and overseas capital markets and issuance risks, and in accordance with international practices through the demands for orders and book building process.

(5) 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 Shareholders' meeting was held on July 7, 2025.

There are no other approved offering plans for any other shares except for the Global Offering.

SHARE CAPITAL

SHAREHOLDERS' GENERAL MEETING

For details of circumstances under which our Shareholders' general meeting is required, see "Appendix IV — Summary of Articles of Association" in this Prospectus.

EMPLOYEE INCENTIVE PLANS

As at the Latest Practicable Date, the Company has adopted the Employee Incentive Plans. No restricted Shares under the Employee Incentive Plans will be further granted after the Listing and all granted restricted Shares have been granted to specific individuals under the Employee Incentive Plans. For details, see "Appendix V — Statutory and General Information — Employee Incentive Plans."

FINANCIAL INFORMATION

You should read the following discussion and analysis in conjunction with our consolidated financial information including the notes thereto, included in the Accountants' Report set out in Appendix I to this Prospectus, together with the respective accompanying notes. Our consolidated financial information has been prepared in accordance with IFRSs, which may differ in material aspects from generally accepted accounting principles in other jurisdictions.

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance 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 events, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual outcomes and developments will meet our expectations and predictions depends on a number of risks and uncertainties, many of which we cannot control or foresee. In evaluating our business, you should carefully consider all of the information provided in this Prospectus, including the sections headed "Risk Factors" and "Business."

For the purpose of this section, unless the context otherwise requires, references to 2022, 2023 and 2024 refer to our financial years ended December 31 of such years. Unless the context otherwise requires, financial information described in this section is described on a consolidated basis.

OVERVIEW

We are a leading global fabless IC design company dedicated to providing innovative, reliable and power-efficient interconnect solutions for cloud computing and AI infrastructure.

Our business was founded with a strong focus on innovation. We strive to address challenges in data exchange and transmission, making data interconnection more efficient and reliable. This strategic goal, combined with ongoing significant R&D investment, has enabled us to establish and maintain our market leadership within the memory interface chips field in the DDR4 and DDR5 eras and beyond. We are expanding our expertise into the PCIe/CXL interconnect domains and novel interconnect chips, further strengthening our leadership position.

We recorded revenue of RMB3,672.3 million, RMB2,285.7 million, RMB3,638.9 million and RMB4,057.7 million in 2022, 2023, 2024, and the nine months ended September 30, 2025, respectively. Our newly launched interconnect chips including PCIe Retimer, MRCD/MDB and CKD generated revenue of RMB422.5 million in 2024, an 8-fold increase as compared to 2023. Additionally, we have maintained a robust margin profile, supported by continuous product innovation. Our overall gross profit margin was 46.4%, 58.9%, 58.1% and 61.5% in 2022, 2023 and 2024 and the nine months ended September 30, 2025, respectively. Our long-standing partnerships with customers and ecosystem collaborators have been instrumental in driving sustained growth and profitability, strengthening our leading position in the industry.

FINANCIAL INFORMATION

BASIS OF PRESENTATION AND PREPARATION

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, have been prepared in accordance with the accounting policies which conform with IFRS Accounting standards (“IFRSs”) issued by International Accounting Standards Board (“IASB”). For details of the basis of preparation, see Note 2 to the Accountant’s Report included in Appendix I to this Prospectus.

The preparation of the Historical Financial Information in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Historical Financial Information are disclosed in Note 2 to the Accountant’s Report included in Appendix I to this Prospectus.

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business and financial performance are influenced by a variety of macroeconomic and industry-specific factors that affect the global economy and the semiconductor industry. These include overall economic growth, development in cloud computing and AI infrastructure, latest government policies and regulations, fluctuations in material cost, and the competitive landscape. Any adverse changes in these factors could dampen demand for our products and materially impact our business and results of operations. In addition to these general factors, the following specific factors have a more direct impact on our results of operations:

Industry Demands and Our Continued Ability to Drive Technological Innovations

Our business operations and financial performance are affected by industry demands, which are highly correlated to downstream applications. Recently, cloud computing and AI infrastructure have been the key drivers of our business as these applications are reshaping the industry with exponential data growth, faster transfer rates, and increasingly complex network architectures. As a fabless IC design company, our continued ability to drive technological innovation, and maintain, expand and upgrade our product portfolio, to address evolving downstream requirements are key to our operations.

To meet industry demands and maintain our competitiveness, we focus on R&D to enrich our product portfolio and expand business footprints. The interconnect chip industry faces constant technological changes, rapid product obsolescence, and evolving standards, all of which are intensified by the proliferation of AI technologies and the growth of data centers. Our business growth and results of operations are affected by our ability to continue to maintain, expand and upgrade our product portfolio to address the evolving industry needs.

FINANCIAL INFORMATION

Our Ability to Maintain and Deepen Our Collaborations with Existing Customers, and Expand Our Customer Base

We are committed to maintain and deepen relationships with existing customers while seek to continuously broadening our customer base. Meeting customer demands requires not only competitive products but also proven reliability. While interconnect chips may account for only a portion of our customers' products, their performance and reliability are critical to the success of our customers' downstream applications. We have emerged as the largest memory interconnect chip supplier in the world, with 36.8% market share in terms of revenue in 2024, according to Frost & Sullivan. Our ability to meet customer demands is also reflected in our long-standing relationships with globally renowned DRAM suppliers.

We are expanding our expertise into PCIe, CXL interconnect domains and novel interconnect chips. In addition, we intend to enhance our portfolio by developing and expanding innovative solutions in Ethernet and optical interconnection, further broadening our technological capabilities. We will incur R&D costs for upgrading our existing products and developing new products. Our ability to retain our existing customers and expand our customer base, especially for new products, will affect our results of operations.

Manage Supply Chain and Improve Operational Efficiency

Supply chain management capabilities have a direct and significant impact on our business operations and financial results. As a fabless IC design company, we rely on third-party foundries for wafer fabrication, packaging and testing. Building strong, long-term partnerships with key production partners is essential to securing stable capacity allocation and fostering close collaboration on the production end. This is particularly critical during periods of high industry demand, where capacity allocation, reservation, and production scheduling play a vital role. Accurate forecasting and communication of wafer demands are equally important in avoiding costly delays and supply bottlenecks. We have also established a comprehensive supplier management system to ensure our product quality, which requires all core suppliers to hold an ISO 9001 Quality Management System certification. Our ability to manage the supply chain and ensure product quality can impact our financial performance.

Effective coordination with production partners also allows us to optimize the production process, streamline backend operations, reduce cycle times, and improve time-to-market. These efforts are crucial for capturing market opportunities and maintaining a competitive edge. By optimizing procurement lead times for critical materials and services, such as wafers, packaging, and testing services, we can minimize inventory holding costs while ensuring a continuous production flow.

Looking ahead, we aim to further enhance the resilience of our supply chains by strengthening cooperation with top-tier suppliers worldwide and diversifying our suppliers. This approach will help us secure a stable supply of critical materials, improve operational efficiency, and better navigate an evolving market landscape.

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MATERIAL ACCOUNTING POLICY, JUDGMENTS AND ESTIMATES

The preparation of the historical financial information requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying our accounting policies. Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on us and that are believed to be reasonable under the circumstances. For details on such estimates and judgments, see Note 3 to the Accountants' Report included in Appendix I to this document.

Our management has identified below the accounting policies, estimates and judgments that they believe are critical to the preparation of our financial statements:

Revenue Recognition

Revenue from Contracts with Customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which we 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.

We only adopt consignment as distributorship model. We generate revenue from the sale of products, including sales from direct selling model and sales from consignment arrangements, which is recognised at the point in time when control of the assets is transferred to the customer.

- For sales from direct selling model, revenue is recognised when the control of the products has transferred to the customer, which is the point of export declaration or acceptance by the customer according to the contract.
- For sales from consignment arrangements, revenue is recognised when the control of the products has transferred to the end customers from the consignee. During the Track Record Period, all of our distributors are our consignees.

Revenue from Other Sources

Rental income is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

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Other 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.

Fair Value Measurement

We measure certain of our structured deposits and equity investments at fair value at the end of each of the Track Record Period. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by us. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

We use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the historical financial information are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the historical financial information on a recurring basis, we determine whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each of the Track Record Period.

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Impairment of Inventory

In accordance with our inventory accounting policy, we measure inventories at the lower of cost and net realizable value, and accrues inventory falling price reserves for inventories whose costs are higher than net realizable value, obsolete and unsalable. The impairment of inventories to net realizable value is based on the assessment of the marketability of inventories and their net realizable value. Identifying inventory impairment requires management to make judgments and estimates based on the availability of conclusive evidence and taking into account factors such as the purpose for which the inventory is held and the impact of events after the balance sheet date. The difference between the actual result and the original estimate will affect the book value of the inventory and the accrual or reversal of the inventory depreciation reserves in the period in which the estimate is changed.

SUMMARY OF OUR CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

The table below sets forth our consolidated statements of profit or loss for the periods indicated derived from the Accountant's Report included in Appendix I to this Prospectus:

	For the Year Ended December 31,			For the Nine Months Ended September 30,	
	2022	2023	2024	2024	2025
	<i>(unaudited)</i>				
	<i>(RMB in thousands)</i>				
Revenue	3,672,258	2,285,738	3,638,911	2,570,870	4,057,688
Cost of sales	(1,966,747)	(939,216)	(1,523,615)	(1,076,805)	(1,563,886)
Gross profit	1,705,511	1,346,522	2,115,296	1,494,065	2,493,802
Other income and gains	507,626	361,646	389,027	316,688	427,911
Research and development expenses	(563,487)	(681,812)	(763,470)	(552,282)	(533,161)
Administrative expenses	(208,377)	(178,905)	(202,868)	(126,454)	(596,614)
Selling and distribution expenses	(86,147)	(89,961)	(96,007)	(69,265)	(81,870)
Other expenses	(26,701)	(193,710)	(44,724)	(2,612)	(17,614)
Finance costs	(1,032)	(742)	(1,513)	(1,022)	(1,346)
Reversal of impairment losses/(impairment losses) on trade receivables, net	(711)	144	(465)	168	(759)
Fair value changes of financial assets at fair value through profit or loss	90,746	(87,328)	23,889	(9,673)	16,247
Share of losses of associates	(3,562)	(3,635)	(6,548)	(7,910)	(13,611)
Profit before tax	1,413,866	472,219	1,412,617	1,041,703	1,692,985
Income tax expense	(114,494)	(21,071)	(71,882)	(65,324)	(116,620)
Profit for the year/period	1,299,372	451,148	1,340,735	976,379	1,576,365

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	For the Year Ended December 31,			For the Nine Months Ended September 30,	
	2022	2023	2024	2024	2025
				<i>(unaudited)</i>	
	<i>(RMB in thousands)</i>				
Attributable to:					
Owners of the parent	1,299,378	450,910	1,411,778	978,077	1,632,284
Non-controlling interests	(6)	238	(71,043)	(1,698)	(55,919)

	For the Year Ended December 31,			For the Nine Months Ended September 30,	
	2022	2023	2024	2024	2025
				<i>(unaudited)</i>	
	<i>(RMB)</i>				
Earnings per share attributable to owners of the parent					
Basic	1.15	0.40	1.25	0.87	1.44
Diluted	1.15	0.40	1.25	0.87	1.43

Non-IFRS Measures

To supplement our consolidated statements of profit or loss which are presented in accordance with IFRSs, we use adjusted net profit (Non-IFRS measure) and adjusted net profit margin (Non-IFRS measure) as non-IFRS measures, which are not required by, or presented in accordance with, IFRSs.

We define adjusted net profit (Non-IFRS measure) as profit for the periods adjusted by adding back (i) share-based payments, and (ii) listing expenses, which relate to the Global Offering. Share-based payments which are both equity-settled and cash-settled in nature, and related to our restricted A share incentive schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Equity-settled share-based payment expenses are non-cash in nature. Cash-settled share-based payment expenses are required to be remeasured at fair value at each reporting date. Consequently, they are affected by fluctuations in secondary market share prices, which may introduce volatility that is not reflective of the Group's underlying operating performance. Accordingly, we exclude the impact of these share-based payment expenses, as they are not indicative of the Company's core operations or its long-term development prospects. We define adjusted net profit margin (Non-IFRS measure) as adjusted net profit (Non-IFRS measure) to divide corresponding revenue of the year/period.

We believe that Non-IFRS measures facilitate the comparisons of operating performance and provide useful information to investors and others in understanding and evaluating our operating performance in the same manner as it helps our management. However, our presentation of Non-IFRS measures for the periods may not be comparable to similarly titled measures presented by other companies. The use of Non-IFRS measures has limitations as an analytical tool, and investors should not consider it in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

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The following tables reconcile Non-IFRS measures for the periods presented with the nearest measures prepared in accordance with IFRS Accounting Standards.

	For the Year Ended December 31,			For the Nine Months Ended September 30,	
	2022	2023	2024	2024	2025
(unaudited)					
(RMB in thousands, except for percentages)					
Profit for the year/period	1,299,372	451,148	1,340,735	976,379	1,576,365
adjusted for					
Share-based payment expenses .	151,270	122,678	58,849	35,885	532,355
Listing expenses	—	—	—	—	373
Adjusted net profit					
(Non-IFRS measure)	<u>1,450,642</u>	<u>573,826</u>	<u>1,399,584</u>	<u>1,012,264</u>	<u>2,109,093</u>
Adjusted net profit margin					
(Non-IFRS measure)	39.5%	25.1%	38.5%	39.4%	52.0%

DESCRIPTION OF KEY COMPONENTS OF CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

Revenue

Revenue by Business

Our revenue was from (i) interconnect chips, (ii) Jintide products and (iii) others.

The following table sets forth a breakdown of our revenue by business, in absolute amounts and as percentages of total revenue, for the periods indicated.

	For the Year Ended December 31,						For the Nine Months Ended September 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
(unaudited)										
(in thousands, except for percentages)										
Interconnect chips	2,734,651	74.5	2,184,594	95.6	3,349,185	92.0	2,377,078	92.5	3,832,037	94.4
Memory interconnect										
chips	2,726,717	74.3	2,140,038	93.6	3,028,112	83.2	2,144,611	83.4	3,524,766	86.9
PCIe/CXL interconnect										
chips	7,934	0.2	44,556	2.0	320,661	8.8	232,281	9.1	306,653	7.5
Other chips	—	—	—	—	412	0.0	186	0.0	618	0.0
Jintide products	936,561	25.5	93,547	4.1	279,585	7.7	185,043	7.2	218,136	5.4
Others ⁽¹⁾	1,046	0.0	7,597	0.3	10,141	0.3	8,749	0.3	7,515	0.2
Total	<u>3,672,258</u>	<u>100.0</u>	<u>2,285,738</u>	<u>100.0</u>	<u>3,638,911</u>	<u>100.0</u>	<u>2,570,870</u>	<u>100.0</u>	<u>4,057,688</u>	<u>100.0</u>

Note:

(1) Others represent rental income.

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Our revenue was RMB3,672.3 million, RMB2,285.7 million and RMB3,638.9 million in 2022, 2023 and 2024, respectively, reflecting overall sales growth of our interconnect chip products. Revenues from interconnect chips accounted for 74.5%, 95.6% and 92.0% of our total revenues in 2022, 2023 and 2024, respectively. Revenues from Jintide products accounted for 25.5%, 4.1% and 7.7% of our total revenues in 2022, 2023 and 2024, respectively. The change in revenue mix from 2022 to 2023 was primarily because revenue generated from our Jintide products decreased in a larger extent compared to our interconnect chips in 2023. The decline of our revenue in 2023 was primarily due to the inventory destocking across the broader industry. According to Frost & Sullivan, the semiconductor and downstream industries, such as server and computer manufacturing, experienced a widespread inventory destocking in 2023, stemmed from overstocking in response to previous supply chain disruptions. Our sales subsequently decreased as downstream clients cut purchases to deplete existing inventory. In 2024, due to increased DDR5 penetration rates and expanded demand from cloud computing and AI infrastructure application, our sales witnessed a recovery, especially in our interconnect chips which rebounded and surpassed the level recorded in 2022. For more details on the relevant decrease in shipment across the industry, see “Industry Overview — Global High-speed Interconnect Chip Market Overview” and “Industry Overview — Global Memory Interconnect Chip Market.”

Our revenue was RMB2,570.9 million and RMB4,057.7 million for the nine months ended September 30, 2024 and 2025, respectively. The growth was primarily due to increased DDR5 penetration rates and accelerated demands from cloud computing and AI infrastructure applications. Revenues from interconnect chips accounted for 92.5% and 94.4% of our total revenues for the nine months ended September 30, 2024 and 2025, respectively. Revenues from Jintide products accounted for 7.2% and 5.4% of our total revenues for the nine months ended September 30, 2024 and 2025, respectively.

Revenue by Region

The following table sets forth a breakdown of our revenue by region, based on the place of incorporation of our customers, in absolute amounts and as percentages of total revenue, for the periods indicated.

	For the Year Ended December 31,						For the Nine Months Ended September 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(unaudited)									
	(in thousands, except for percentages)									
Mainland China and Hong Kong . .	1,216,841	33.1	365,271	16.0	1,061,588	29.2	772,446	30.0	1,136,548	28.0
South Korea	819,143	22.3	682,906	29.9	1,560,014	42.9	1,019,739	39.7	2,216,231	54.6
Southeast Asia	712,631	19.4	476,380	20.8	715,582	19.6	525,431	20.4	525,266	12.9
North America	695,059	18.9	667,765	29.2	166,782	4.6	158,138	6.2	34,290	0.8
Others	228,584	6.3	93,416	4.1	134,945	3.7	95,116	3.7	145,353	3.7
Total	3,672,258	100.0	2,285,738	100.0	3,638,911	100.0	2,570,870	100.0	4,057,688	100.0

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Our revenue from mainland China and Hong Kong was RMB1,216.8 million, RMB365.3 million and RMB1,061.6 million in 2022, 2023 and 2024, respectively. Our revenue from South Korea was RMB819.1 million, RMB682.9 million and RMB1,560.0 million in 2022, 2023 and 2024, respectively. Our revenue from Southeast Asia was RMB712.6 million, RMB476.4 million and RMB715.6 million in 2022, 2023 and 2024, respectively. Our revenue from North America was RMB695.1 million, RMB667.8 million and RMB166.8 million in 2022, 2023 and 2024, respectively. Our revenue from other regions was RMB228.6 million, RMB93.4 million and RMB134.9 million in 2022, 2023 and 2024, respectively.

Our revenue from mainland China and Hong Kong was RMB772.4 million and RMB1,136.5 million for the nine months ended September 30, 2024 and 2025, respectively. Our revenue from South Korea was RMB1,019.7 million and RMB2,216.2 million for the nine months ended September 30, 2024 and 2025, respectively. Our revenue from Southeast Asia was RMB525.4 million and RMB525.3 million for the nine months ended September 30, 2024 and 2025, respectively. Our revenue from the North America was RMB158.1 million and RMB34.3 million for the nine months ended September 30, 2024 and 2025, respectively. Our revenue from other regions was RMB95.1 million and RMB145.4 million for the nine months ended September 30, 2024 and 2025, respectively.

During the Track Record Period, revenue of Jintide products was entirely from mainland China and Hong Kong.

Cost of Sales

Cost of Sales by Business

The following table sets forth a breakdown of our cost of sales by business, in absolute amounts and as percentages of total cost of sales, for the periods indicated.

	For the Year Ended December 31,						For the Nine Months Ended September 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(unaudited)									
	(in thousands, except for percentages)									
Interconnect chips	1,128,874	57.4	844,154	89.9	1,250,507	82.1	894,889	83.1	1,347,896	86.2
Jintide products	837,873	42.6	89,794	9.6	266,304	17.5	176,767	16.4	211,131	13.5
Others ⁽¹⁾	—	—	5,268	0.5	6,804	0.4	5,149	0.5	4,859	0.3
Total	1,966,747	100.0	939,216	100.0	1,523,615	100.0	1,076,805	100.0	1,563,886	100.0

Note:

(1) Others represent depreciation of our investment properties.

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Cost of Sales by Nature

The following table sets forth a breakdown of our cost of sales by nature, in absolute amounts and as percentages of total cost of sales, for the periods indicated. Our cost of sales primarily consists of material cost and processing cost.

	For the Year Ended December 31,						For the Nine Months Ended September 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(unaudited)									
	(in thousands, except for percentages)									
Material cost	1,528,109	77.7	662,878	70.6	1,067,940	70.1	760,973	70.7	1,052,074	67.3
Processing cost	438,638	22.3	271,070	28.9	448,871	29.5	310,683	28.9	506,953	32.4
Others ⁽¹⁾	—	—	5,268	0.5	6,804	0.4	5,149	0.4	4,859	0.3
Total	<u>1,966,747</u>	<u>100.0</u>	<u>939,216</u>	<u>100.0</u>	<u>1,523,615</u>	<u>100.0</u>	<u>1,076,805</u>	<u>100.0</u>	<u>1,563,886</u>	<u>100.0</u>

Note:

(1) Others represent depreciation of our investment properties.

Gross Profit and Gross Profit Margin

The following table sets forth a breakdown of our gross profit and gross profit margin by business for the periods indicated.

	For the Year Ended December 31,						For the Nine Months Ended September 30,			
	2022		2023		2024		2024		2025	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(unaudited)									
	(in thousands, except for percentages)									
Interconnect chips	1,605,777	58.7	1,340,440	61.4	2,098,678	62.7	1,482,189	62.4	2,484,141	64.8
Jintide products	98,688	10.5	3,753	4.0	13,281	4.8	8,276	4.5	7,005	3.2
Others	1,046	100.0	2,329	30.7	3,337	32.9	3,600	41.1	2,656	35.3
Total	<u>1,705,511</u>	<u>46.4</u>	<u>1,346,522</u>	<u>58.9</u>	<u>2,115,296</u>	<u>58.1</u>	<u>1,494,065</u>	<u>58.1</u>	<u>2,493,802</u>	<u>61.5</u>

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As a result of the foregoing, in 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, our gross profit was RMB1,705.5 million, RMB1,346.5 million, RMB2,115.3 million, RMB1,494.1 million and RMB2,493.8 million, respectively. Our overall gross profit margin was 46.4%, 58.9%, 58.1%, 58.1% and 61.5% in 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively. During the Track Record Period, the material prices of our Company remained relatively stable, leading to minimal impact on our profit margin.

For interconnect chips, we recorded gross profit in each year/period during the Track Record Period. In 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, our gross profit was RMB1,605.8 million, RMB1,340.4 million, RMB2,098.7 million, RMB1,482.2 million and RMB2,484.1 million, respectively. Our gross profit margin for interconnect chips was 58.7%, 61.4%, 62.7%, 62.4% and 64.8% in 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively.

For Jintide products, we recorded gross profit in each year/period during the Track Record Period. In 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, our gross profit was RMB98.7 million, RMB3.8 million, RMB13.3 million, RMB8.3 million and RMB7.0 million, respectively. Our gross profit margin for Jintide products was 10.5%, 4.0%, 4.8%, 4.5% and 3.2% in 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively. We witnessed a decrease of gross margin since 2023, primarily because we launched new-generation products and offered promotional price discounts for the previous generation of Jintide products thereafter even though our costs was relatively stable. Due to the mix of previous generation with low gross margins, our gross margin for Jintide products remained at a relatively low level since 2023. In particular, as compared to 2022, we witnessed a significant decrease of gross margin in 2023, primarily related to our promotional clearances of heavily stocked earlier-generation products, combined with relatively weak sales of new products as a result of the industry-wide inventory destocking in that year.

Other Income and Gains

Other income and gains consist of (i) bank interest income, (ii) investment income, primarily represent income from structured deposits and equity investments, (iii) government grants and subsidies, (iv) foreign exchange gain, net, (v) reversal of impairment of inventories, net and (vi) others. Our other income and gains were RMB507.6 million, RMB361.6 million, RMB389.0 million, RMB316.7 million and RMB427.9 million in 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively. Our government grants include support from multiple administrative levels across the regions where we operate. These subsidies are typically one-off in nature and granted based on project-specific applications upon meeting the relevant eligibility criteria. We plan to continue to apply for applicable grants and subsidies for our project in the foreseeable future. We recorded net reversal of impairment of inventories of RMB30.9 million for the nine months ended September 30, 2025, primarily because certain inventories were sold at prices higher than their impaired value.

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The following table sets forth a breakdown of our other income and gains for the periods indicated.

	For the Year Ended December 31,			For the Nine Months Ended September 30,	
	2022	2023	2024	2024	2025
(unaudited)					
(RMB in thousands)					
Bank interest income	81,275	178,906	229,986	193,032	218,620
Investment income	378,180	94,614	55,147	43,796	109,096
Government grants and subsidies	45,589	83,092	89,848	74,861	67,596
Foreign exchange gain, net	1,260	2,324	12,312	3,265	–
Reversal of impairment of inventories, net	–	–	–	–	30,854
Others	1,322	2,710	1,734	1,734	1,745
Total	507,626	361,646	389,027	316,688	427,911

Research and Development Expenses

Our research and development expenses consist of (i) staff costs, (ii) engineering expenses, (iii) tools and licenses, (iv) depreciation and amortization and (v) others. In 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, our research and development expenses were RMB563.5 million, RMB681.8 million, RMB763.5 million, RMB552.3 million and RMB533.2 million, respectively, representing 15.3%, 29.8%, 21.0%, 21.5% and 13.1% of our revenue for the corresponding period, respectively.

The following table sets forth a breakdown of research and development expenses by nature, in absolute amounts and as percentages of total research and development expenses, for the periods indicated.

	For the Year Ended December 31,						For the Nine Months Ended September 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
(unaudited)										
(in thousands, except for percentages)										
Staff costs	418,868	74.3	484,288	71.0	533,204	69.8	401,820	72.8	408,348	76.6
Engineering expenses	66,905	11.9	101,649	14.9	121,520	15.9	70,789	12.8	43,143	8.1
Tools and licenses	27,177	4.8	39,339	5.8	44,983	5.9	33,351	6.0	37,403	7.0
Depreciation and amortization	18,916	3.4	27,886	4.1	44,110	5.8	33,015	6.0	32,719	6.1
Others ⁽¹⁾	31,621	5.6	28,650	4.2	19,653	2.6	13,307	2.4	11,548	2.2
Total	563,487	100.0	681,812	100.0	763,470	100.0	552,282	100.0	533,161	100.0

Note:

(1) Others represent external service fees and professional consulting fees.

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Administrative Expenses

Our administrative expenses consist of (i) staff costs, (ii) depreciation and amortization, (iii) professional services and consulting fees, (iv) rental fee, (v) office and utility expenses, (vi) taxes and surcharges and (vii) others. In 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, our administrative expenses were RMB208.4 million, RMB178.9 million, RMB202.9 million, RMB126.5 million and RMB596.6 million, respectively, representing 5.7%, 7.8%, 5.6%, 4.9% and 14.7% of our revenue for the corresponding period, respectively.

The following table sets forth a breakdown of administrative expenses by nature, in absolute amounts and as percentages of total administrative expenses, for the periods indicated.

	For the Year Ended December 31,						For the Nine Months Ended September 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(unaudited)									
	(in thousands, except for percentages)									
Staff costs	148,895	71.5	94,025	52.6	113,609	56.0	61,802	48.9	515,745	86.4
Depreciation and amortization . .	15,985	7.7	43,783	24.5	44,453	21.9	33,295	26.3	36,483	6.1
Professional services and consulting fees	7,147	3.4	6,850	3.8	8,009	3.9	5,216	4.1	11,009	1.8
Rental fee	11,514	5.5	5,882	3.3	6,854	3.4	5,055	4.0	4,301	0.7
Office and utility expenses	7,321	3.5	10,101	5.6	9,007	4.4	6,652	5.3	7,074	1.2
Taxes and surcharges	5,748	2.8	5,542	3.1	6,325	3.1	4,384	3.5	4,988	0.8
Others ⁽¹⁾	11,767	5.6	12,722	7.1	14,611	7.3	10,050	7.9	17,014	3.0
Total	208,377	100.0	178,905	100.0	202,868	100.0	126,454	100.0	596,614	100.0

Note:

(1) Others mainly represent external service fees and travel expenses.

Selling and Distribution Expenses

Our selling and distribution expenses consist of (i) staff costs, (ii) depreciation and amortization, (iii) marketing expenses, (iv) sales commission, (v) travel and business development (“BD”) expenses and (vi) others. In 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, our selling and distribution expenses were RMB86.1 million, RMB90.0 million, RMB96.0 million, RMB69.3 million and RMB81.9 million, respectively, representing 2.3%, 3.9%, 2.6%, 2.7% and 2.0% of our revenue, respectively.

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The following table sets forth a breakdown of our selling and distribution expenses by nature, in absolute amounts and as percentages of total selling and distribution expenses, for the periods indicated.

	For the Year Ended December 31,						For the Nine Months Ended September 30,			
	2022		2023		2024		2024		2025	
	RMB	%	RMB	%	RMB	%	RMB	%	RMB	%
	(in thousands, except for percentages)									
Staff costs	71,717	83.2	74,187	82.5	83,721	87.2	60,424	87.2	69,421	84.8
Depreciation and amortization	2,432	2.8	2,590	2.9	2,228	2.3	1,721	2.5	1,755	2.1
Marketing expenses	1,281	1.5	1,632	1.8	1,365	1.4	1,164	1.7	716	0.9
Sales commission	5,493	6.4	997	1.1	1,009	1.1	702	1.0	1,619	2.0
Travel and BD expenses	1,853	2.2	3,775	4.2	4,028	4.2	2,798	4.0	2,705	3.3
Others ⁽¹⁾	3,371	3.9	6,780	7.5	3,656	3.8	2,456	3.6	5,654	6.9
Total	86,147	100.0	89,961	100.0	96,007	100.0	69,265	100.0	81,870	100.0

Note:

(1) Others represent sample expenses and professional services fees.

Other Expenses

Other expenses consist of impairment of inventories, foreign exchange loss, net, charitable donations, loss on disposal of items of property, plant and equipment (“PP&E”) and others. Our other expenses were RMB26.7 million, RMB193.7 million, RMB44.7 million, RMB2.6 million and RMB17.6 million in 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively. The increase in inventory impairment in 2023 was primarily attributable to customer inventory destocking and a slowdown in sales. The following table sets forth a breakdown of our other expenses for the periods indicated.

	For the Year Ended December 31,			For the Nine Months Ended September 30,	
	2022	2023	2024	2024	2025
	(RMB in thousands)				
Impairment of inventories, net	26,032	192,529	44,443	2,511	–
Foreign exchange loss, net	–	–	–	–	16,833
Charitable donations	667	1,140	281	101	15
Loss on disposal of items of PP&E, net	–	41	–	–	765
Others	2	–	–	–	1
Total	26,701	193,710	44,724	2,612	17,614

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Finance Costs

Finance costs consist of interest on lease liabilities. Our finance costs were RMB1.0 million, RMB0.7 million, RMB1.5 million, RMB1.0 million and RMB1.3 million in 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively.

Fair Value Changes of Financial Assets at Fair Value Through Profit or Loss

Our fair value changes of financial assets at fair value through profit or loss primarily represented changes in the fair value of our structured deposits and equity investments. During the Track Record Period, our equity investments were primarily in public as well as private companies within the semiconductor industry chain. We recorded fair value gains of financial assets at fair value through profit or loss of RMB90.7 million, RMB23.9 million and RMB16.2 million in 2022 and 2024 and for the nine months ended September 30, 2025, respectively. We recorded fair value losses of financial assets at fair value through profit or loss of RMB87.3 million in 2023 and RMB9.7 million for the nine months ended September 30, 2024.

Share of Losses of Associates

Share of losses of associates reflects our proportionate share of the net results of our associate companies. Our share of losses of associates was RMB3.6 million, RMB3.6 million, RMB6.5 million, RMB7.9 million and RMB13.6 million in 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively.

Income Tax Expense

In 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, we had income tax expense of RMB114.5 million, RMB21.1 million, RMB71.9 million, RMB65.3 million and RMB116.6 million, respectively.

Profit for the Year/Period

We recorded profit for the year/period of RMB1,299.4 million, RMB451.1 million, RMB1,340.7 million, RMB976.4 million and RMB1,576.4 million in 2022, 2023 and 2024 and the nine months ended September 30, 2024 and 2025, respectively. In 2023, the Company experienced a year-on-year decline in both revenue and profit for the year, which was principally attributable to the effects of inventory destocking in the industry, reflecting weakened global demand for servers and computers. In 2024, the Company's revenue and profit for the year rebounded significantly year-over-year, with the profit surpassing the levels achieved in 2022. This strong recovery was primarily driven by (i) recovery in global demand for servers and computers, under which trend the Company experienced restorative growth in demand for its memory interface chips and supporting chips, (ii) increased downstream penetration of DDR5 products and ongoing iterations of its sub-generations, and the shipment volume of the Company's DDR5 memory interface chips exceeded that of DDR4 memory interface chips, and (iii) supported by the growth in the AI industry, the Company achieved scaled sales of new interconnect chips including PCIe Retimer, MRCD/MDB and CKD, which generated an aggregated revenue of RMB422.5 million in 2024, an 8-fold increase as compared to 2023.

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TAXATION

PRC

Our subsidiaries established in the PRC are generally subject to statutory income tax at a rate of 25% in accordance with the relevant PRC income tax laws, subject to preferential tax treatments available to certain qualified enterprises. According to the Administrative Measures for Determination of High and New Tech Enterprises, which was promulgated by the Ministry of Science and Technology, the Ministry of Finance and the State Administration of Taxation, an enterprise recognized as a high and new technology enterprise is subject to a preferential enterprise income tax rate of 15% pursuant to the relevant requirements of the EIT Law. Our Company and certain subsidiaries of us, such as Montage Technology (Kunshan) Co., Ltd., were qualified for a preferential income tax rate of 15% in 2022, 2023 and 2024.

Pursuant to the Announcement on Enterprise Income Tax Policy for Promoting High-Quality Development of the Integrated Circuit Industry and Software Industry (《關於促進集成電路產業和軟件產業高質量發展企業所得稅政策的公告》), jointly promulgated by the Ministry of Finance, the General Administration of Taxation, the National Development and Reform Commission (“NDRC”), and the Ministry of Industry and Information Technology (“MIIT”), state-encouraged IC design enterprises are exempted from enterprise income tax for the first and second years starting from their first profitable year. From the third to the fifth year, enterprise income tax is levied at half of the 25% statutory tax rate; state-encouraged key IC design enterprises are exempted from enterprise income tax for the first to fifth years starting from their first profitable year, and the enterprise income tax rate is reduced to 10% for subsequent years.

We were qualified as a state-encouraged key IC design enterprise and therefore was subject to a preferential tax rate of 10% in 2022 and 2024. Our subsidiary, Montage Technology (Kunshan) Co., Ltd., was qualified as a state-encouraged IC design enterprise in 2022 and 2023, and was qualified as a state-encouraged key IC design enterprise in 2024. The subsidiary’s first profitable year was 2022, therefore, it was exempted from enterprise income tax in 2022, 2023 and 2024.

Certain of our subsidiaries located in specific areas of mainland China were eligible for a preferential corporate income tax rate of 15% by meeting the requirements of the relevant policies.

Pursuant to the relevant regulations, in 2022, for small and low-profit enterprise with an annual taxable income no more than RMB1.0 million, the taxable income is reduced by 12.5%, and the corporate income tax is paid at the tax rate of 20%, the small and low-profit enterprise with an annual taxable income of more than RMB1.0 million but no more than RMB3.0 million is entitled to a preferential tax treatment with only 25% income taxable at the preferential EIT rate of 20%. From January 1, 2023 to December 31, 2027, for small and low-profit enterprise, the taxable income is reduced by 25% and the corporate income tax can be paid at a tax rate

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of 20%. Certain subsidiaries which meet the criteria of “small and low-profit enterprise” are eligible for preferential tax rate of 20%. For details of our PRC corporate income tax rate, please refer to Note 10 in Appendix I of this Prospectus.

Our Company and certain subsidiaries were entitled to claim 175% of their research and development expenses as tax-deductible expenses since 2018 and such rate was subsequently raised to 200% in accordance to recent policy development since the fourth quarter of 2022. In addition, our Company and one of our subsidiaries were entitled to claim 220% of their qualified research and development expenses as tax-deductible expenses in 2024, as such entities were recognized as IC design enterprises qualified for incentive policies. In 2024, the effective income tax rate of the Company was 5.1%, calculated by the income tax expenses divided by profit before tax in the same year.

Hong Kong

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the Track Record Period, except for one subsidiary of our Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 of assessable profits of this subsidiary are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Macau

According to the Supplementary Income Tax Law No. 21/78/M promulgated by the Macau Special Administrative Region, the subsidiary is eligible for the category of Class A taxpayers during the Track Record Period, and the EIT is 12% according to the scale of its pre-tax profits.

Other Countries/Regions

Income tax on profit arising from other jurisdictions, including the United States, BVI and Cayman Islands had been calculated on the estimated assessable profit for the year at the respective rates prevailing in the relevant jurisdictions, ranging from nil to 21.0%.

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DISCUSSION OF RESULTS OF OPERATIONS

Nine Months Ended September 30, 2025 Compared with Nine Months Ended September 30, 2024

Revenue

Our revenue increased by RMB1,486.8 million, or 57.8%, from RMB2,570.9 million for the nine months ended September 30, 2024 to RMB4,057.7 million for the nine months ended September 30, 2025, primarily due to (i) the growth in sales of our memory interface chips and memory module supporting chips, reflecting favorable industry trends driven by the increasing adoption of DDR5 and global growth in server and computer industry. This growth is supported by the robust development of the AI industry, which imposes higher performance requirements on compute power and server memory. On the one hand, this increases demand for the number of server memory modules; on the other hand, the industry is upgrading from DDR4 to DDR5. According to Frost & Sullivan, the server memory module market is rapidly transitioning to the DDR5 generation, with penetration of DDR5 projected to increase from 50% in 2024 to 85% in 2025. We can generate a substantial revenue stream by providing higher value memory interface chips and offering more supporting chips for DDR5 memory modules; (ii) the growth in sales of new products, including PCIe Retimer, MRCD/MDB and CKD.

Cost of Sales

Our cost of sales increased by RMB487.1 million, or 45.2%, from RMB1,076.8 million for the nine months ended September 30, 2024 to RMB1,563.9 million for the nine months ended September 30, 2025, primarily due to the increased cost of sales of interconnect chips, generally in line with the increased sales volume.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased by RMB999.7 million, or 66.9%, from RMB1,494.1 million for the nine months ended September 30, 2024 to RMB2,493.8 million for the nine months ended September 30, 2025. Our gross profit margin increased from 58.1% for the nine months ended September 30, 2024 to 61.5% for the nine months ended September 30, 2025, primarily due to the increased sale of products with higher gross profit, such as DDR5 memory interface chips.

Other Income and Gains

Our other income and gains increased by RMB111.2 million from RMB316.7 million for the nine months ended September 30, 2024 to RMB427.9 million for the nine months ended September 30, 2025, primarily due to (i) the increase in investment income, and (ii) the reversal of impairment of inventories.

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Research and Development Expenses

Our research and development expenses decreased by RMB19.1 million from RMB552.3 million for the nine months ended September 30, 2024 to RMB533.2 million for the nine months ended September 30, 2025, primarily due to a review of the R&D priorities carried out in the second half of 2024.

Administrative Expenses

Our administrative expenses significantly increased by RMB470.2 million from RMB126.5 million for the nine months ended September 30, 2024 to RMB596.6 million for the nine months ended September 30, 2025, primarily due to the increased in staff costs of RMB447.5 million. The increase in staff costs is primarily due to share-based payment expenses associated with our restricted-share and stock appreciation rights issuance under the Core Management Incentive Plan granted on October 31, 2024. The restricted-shares were expensed over the relevant vesting periods based on the fair value as of the grant date. The stock appreciation rights were expensed over the relevant vesting periods based on the fair value as of the respective reporting dates, which were affected by fluctuations in secondary market share prices. As our A-share price rose significantly in the third quarter of 2025, it resulted in higher related costs. For details, see Note 33 to the Accountants' Report in Appendix I to this Prospectus.

Selling and Distribution Expenses

Our selling and distribution expenses increased by RMB12.6 million from RMB69.3 million for the nine months ended September 30, 2024 to RMB81.9 million for the nine months ended September 30, 2025.

Other Expenses

Our other expenses increased by RMB15.0 million from RMB2.6 million for the nine months ended September 30, 2024 to RMB17.6 million for the nine months ended September 30, 2025, primarily due to the foreign exchange loss.

Finance Costs

We recorded finance costs of RMB1.0 million for the nine months ended September 30, 2024 and RMB1.3 million for the nine months ended September 30, 2025, respectively.

Reversal of Impairment Losses/(Impairment Losses) on Trade Receivables, Net

We recorded impairment losses on trade receivables of RMB0.8 million for the nine months ended September 30, 2025, compared to the reversal of impairment losses on trade receivables of RMB0.2 million for the nine months ended September 30, 2024.

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Fair Value Changes of Financial Assets at Fair Value Through Profit or Loss

Our fair value losses of financial assets at fair value through profit or loss of RMB9.7 million for the nine months ended September 30, 2024 changed into fair value gains of financial assets at fair value through profit or loss of RMB16.2 million for the nine months ended September 30, 2025, primarily due to changes in the fair value of structured deposits and equity investments.

Share of Losses of Associates

Our share of losses of associates increased by RMB5.7 million from RMB7.9 million for the nine months ended September 30, 2024 to RMB13.6 million for the nine months ended September 30, 2025.

Income Tax Expense

Our income tax expense increased by RMB51.3 million from RMB65.3 million for the nine months ended September 30, 2024 to RMB116.6 million for the nine months ended September 30, 2025, in line with our business expansion.

Profit for the Period

As a result of the foregoing, our profit of the period significantly increased by RMB600.0 million from RMB976.4 million for the nine months ended September 30, 2024 to RMB1,576.4 million for the nine months ended September 30, 2025.

Year Ended December 31, 2024 Compared with Year Ended December 31, 2023

Revenue

Our revenue increased by RMB1,353.2 million, or 59.2%, from RMB2,285.7 million in 2023 to RMB3,638.9 million in 2024, primarily due to the growth in sales of (i) our memory interface chips and memory module supporting chips, reflecting favorable industry trends driven by the increasing adoption of DDR5 and global growth in server and computer industry, and (ii) new products, including PCIe Retimer, MRCD/MDB and CKD.

Cost of Sales

Our cost of sales increased by RMB584.4 million, or 62.2%, from RMB939.2 million in 2023 to RMB1,523.6 million in 2024, primarily due to the increased cost of sales of interconnect chips, generally in line with the increased sales volume.

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Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased by RMB768.8 million, or 57.1%, from RMB1,346.5 million in 2023 to RMB2,115.3 million in 2024. Our gross profit margin remained relatively stable at 58.9% in 2023 and 58.1% in 2024, respectively.

Other Income and Gains

Our other income and gains increased by RMB27.4 million, from RMB361.6 million in 2023 to RMB389.0 million in 2024, primarily due to (i) the increase in foreign exchange gain, net, and (ii) the increase in bank interest income; partially offset by the decrease in investment income.

Research and Development Expenses

Our research and development expenses increased by RMB81.7 million from RMB681.8 million in 2023 to RMB763.5 million in 2024, primarily due to (i) the increase in staff costs, and (ii) the increase in engineering expenses, mainly as the result of our continuous investment in new products and technologies.

Administrative Expenses

Our administrative expenses increased by RMB24.0 million from RMB178.9 million in 2023 to RMB202.9 million in 2024, primarily due to an increase in staff costs.

Selling and Distribution Expenses

Our selling and distribution expenses increased by RMB6.0 million from RMB90.0 million in 2023 to RMB96.0 million in 2024, primarily due to an increase in staff costs.

Other Expenses

Our other expenses decreased significantly from RMB193.7 million in 2023 to RMB44.7 million in 2024, primarily due to the decrease in impairment of inventories.

Finance Costs

Our finance costs significantly increased from RMB0.7 million in 2023 to RMB1.5 million in 2024.

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Reversal of Impairment Losses/(Impairment Losses) on Trade Receivables, Net

We recorded impairment losses on trade receivables of RMB0.5 million in 2024, compared to reversal of impairment losses on trade receivables of RMB0.1 million in 2023.

Fair Value Changes of Financial Assets at Fair Value Through Profit or Loss

We recorded fair value gains of financial assets at fair value through profit or loss of RMB23.9 million in 2024, compared to fair value losses of financial assets at fair value through profit or loss of RMB87.3 million in 2023, primarily due to the fair value changes of structured deposits and equity investments.

Share of Losses of Associates

Our share of losses of associates increased by RMB2.9 million from RMB3.6 million in 2023 to RMB6.5 million in 2024.

Income Tax Expense

Our income tax expense increased significantly by RMB50.8 million from RMB21.1 million in 2023 to RMB71.9 million in 2024, primarily due to our business expansion.

Profit for the Year

As a result of the foregoing, our profit of the year increased significantly by RMB889.6 million from RMB451.1 million in 2023 to RMB1,340.7 million in 2024.

Year Ended December 31, 2023 Compared with Year Ended December 31, 2022

Revenue

Our revenue decreased by RMB1,386.6 million, or 37.8%, from RMB3,672.3 million in 2022 to RMB2,285.7 million in 2023, primarily due to lower sales of DDR4 memory interface chips and Jintide products, reflecting the inventory destocking across the broader industry. According to Frost & Sullivan, since 2021, the semiconductor industry has experienced rapid growth, driven by robust market demand and capacity constraints, particularly in booming downstream markets such as electric vehicles (EV). To address extended lead times, customers generally placed orders in advance and increased their inventory reserves. As the industry capacity gradually expanded, inventory levels rose accordingly, leading to a temporary surplus. This period of inventory destocking was primarily the result of shifts in the industry's supply-demand dynamics and represented a normal phase within the semiconductor industry cycle. For more details on the relevant decrease in shipment across the industry, see "Industry Overview — Global High-speed Interconnect Chip Market Overview" and "Industry Overview — Global Memory Interconnect Chip Market."

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Cost of Sales

Our cost of sales decreased by RMB1,027.5 million, or 52.2%, from RMB1,966.7 million in 2022 to RMB939.2 million in 2023, which was in line with our revenue fluctuation.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit decreased by RMB359.0 million, or 21.0%, from RMB1,705.5 million in 2022 to RMB1,346.5 million in 2023. Our gross profit margin increased from 46.4% in 2022 to 58.9% in 2023, primarily due to the increased proportion of sale of interconnect chips with higher profit margin.

Other Income and Gains

Our other income and gains decreased by RMB146.0 million, or 28.8%, from RMB507.6 million in 2022 to RMB361.6 million in 2023, primarily because we recorded higher investment income from equity investments in 2022.

Research and Development Expenses

Our research and development expenses increased by RMB118.3 million, or 21.0%, from RMB563.5 million in 2022 to RMB681.8 million in 2023, primarily due to increases in (i) staff costs and (ii) engineering expenses.

Administrative Expenses

Our administrative expenses decreased by RMB29.5 million from RMB208.4 million in 2022 to RMB178.9 million in 2023, primarily due to a decrease in staff costs.

Selling and Distribution Expenses

Our selling and distribution expenses increased by RMB3.9 million from RMB86.1 million in 2022 to RMB90.0 million in 2023.

Other Expenses

Our other expenses increased significantly by RMB167.0 million from RMB26.7 million in 2022 to RMB193.7 million in 2023, primarily due to an increase in impairment of inventories of Jintide products in association with the inventory destocking across the broader industry.

Finance Costs

Our finance costs decreased by RMB0.3 million from RMB1.0 million in 2022 to RMB0.7 million in 2023.

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Reversal of Impairment Losses/(Impairment Losses) on Trade Receivables, Net

We recorded reversal of impairment losses on trade receivables of RMB0.1 million in 2023, compared to impairment losses on trade receivables of RMB0.7 million in 2022.

Fair Value Changes of Financial Assets at Fair Value Through Profit or Loss

We recorded fair value losses of financial assets at fair value through profit or loss of RMB87.3 million in 2023, compared to fair value gains of RMB90.7 million in 2022, primarily due to the fair value changes of our equity investments. We aimed to invest in structured deposits with relative low risk, as well as listed and unlisted equity investments, to manage and enlarge the gains of our shareholders. The account “fair value changes of financial assets at fair value through profit or loss” comprises two components: (1) the fair value changes of the financial assets at the reporting date for financial assets still held at period-end, and (2) the reclassification of previously recognized gains or losses on the financial assets disposed during the year. Gains or losses arising from the disposal of financial assets are recognized in other income and gains. In 2023, with the disposal of certain A-share stocks, we recorded reversal of fair value gains of RMB58.1 million and an investment income of RMB40.5 million was recorded in other income and gains. We further recorded losses of financial assets of RMB30.4 million due to fair value changes in stock prices and valuation of other equity investment targets. The amount was partially offset by the expected proceeds from structured deposits of RMB1.2 million.

Share of Losses of Associates

Our share of losses of associates remained relatively stable at RMB3.6 million in 2022 and 2023.

Income Tax Expense

Our income tax expense decreased by RMB93.4 million, or 81.6%, from RMB114.5 million in 2022 to RMB21.1 million in 2023, in line with the change in revenue.

Profit for the Year

As a result of the foregoing, the recorded profit of the year decreased by RMB848.3 million, or 65.3%, from RMB1,299.4 million in 2022 to RMB451.1 million in 2023.

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DISCUSSION OF SELECTED ITEMS FROM THE CONSOLIDATED BALANCE SHEETS

The table below sets forth selected information from our consolidated balance sheets as of the dates indicated, which has been extracted from the Accountant's Report included in Appendix I to this Prospectus:

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	<i>(RMB in thousands)</i>			
Non-current assets	2,049,566	2,401,413	2,757,607	2,790,474
Current assets	8,636,479	8,296,127	9,461,303	10,961,155
Total assets	10,686,045	10,697,540	12,218,910	13,751,629
Non-current liabilities	119,362	99,749	142,528	533,189
Current liabilities	639,428	391,171	679,878	961,350
Total liabilities	758,790	490,920	822,406	1,494,539
Net assets	9,927,255	10,206,620	11,396,504	12,257,090
Share capital	1,134,068	1,138,740	1,144,789	1,145,151
Treasury shares	(300,083)	(300,031)	(427,558)	(628,081)
Reserves	9,078,201	9,352,698	10,686,206	11,742,572
Non-controlling interests	15,069	15,213	(6,933)	(2,552)
Total equity	9,927,255	10,206,620	11,396,504	12,257,090
Net current assets	7,997,051	7,904,956	8,781,425	9,999,805

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Current Assets and Current Liabilities

The following table sets forth our current assets and current liabilities as of the dates indicated:

	As of December 31,			As of September 30,	As of November 30,
	2022	2023	2024	2025	2025
					(unaudited)
	(RMB in thousands)				
Inventories	738,433	482,386	352,196	795,747	883,596
Trade receivables	322,379	294,254	387,791	568,204	422,412
Prepayments, other receivables and other assets	114,317	142,136	195,944	236,476	195,296
Financial assets at fair value through profit or loss, current	1,610,090	1,703,267	1,783,495	545,849	771,987
Pledged deposits	17,510	8,204	42,945	42,945	42,945
Cash and cash equivalents	5,833,750	5,665,880	6,698,932	8,771,934	8,606,957
Total current assets	8,636,479	8,296,127	9,461,303	10,961,155	10,923,193
Trade payables	197,166	131,115	211,154	304,965	328,871
Other payables and accruals	291,172	226,949	374,667	504,338	288,641
Contract liabilities	22,731	1,615	22,088	26,925	50,335
Tax payables	116,465	18,207	56,012	109,442	97,746
Lease liabilities, current . .	11,894	13,285	15,957	15,680	15,697
Total current liabilities . .	639,428	391,171	679,878	961,350	781,290
Net current assets	7,997,051	7,904,956	8,781,425	9,999,805	10,141,903

Our net current assets increased from RMB9,999.8 million as of September 30, 2025 to RMB10,141.9 million as of November 30, 2025, primarily due to the decrease of our total current liabilities, which outweighed the decrease of our total current assets. Our total current liabilities decreased from RMB961.4 million as of September 30, 2025 to RMB781.3 million as of November 30, 2025, primarily due to (i) the decrease of our other payables and accruals of RMB215.7 million, and (ii) the decrease of our tax payables of RMB11.7 million; partially offset by (i) the increase of our trade payables of RMB23.9 million and (ii) the increase of our contract liabilities of RMB23.4 million. Our total current assets decreased from RMB10,961.2 million as of September 30, 2025 to RMB10,923.2 million as of November 30, 2025, primarily due to (i) the decrease of our cash and cash equivalents of RMB165.0 million, (ii) the decrease of our trade receivables of RMB145.8 million, and (iii) the decrease of our prepayments, other receivables and other assets of RMB41.2 million; partially offset by the increase of our current financial assets at fair value through profit or loss of RMB226.1 million.

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Our net current assets increased from RMB8,781.4 million as of December 31, 2024 to RMB9,999.8 million as of September 30, 2025 due to the increase of our total current assets as well as the increase of our total current liabilities. Our total current assets increased from RMB9,461.3 million as of December 31, 2024 to RMB10,961.2 million as of September 30, 2025, primarily due to (i) the increase of our cash and cash equivalents of RMB2,073.0 million, (ii) the increase of our inventories of RMB443.6 million, and (iii) the increase of our trade receivables of RMB180.4 million; partially offset by the decrease of our current financial assets at fair value through profit or loss of RMB1,237.6 million. Our total current liabilities increased from RMB679.9 million as of December 31, 2024 to RMB961.4 million as of September 30, 2025, primarily due to (i) the increase of our other payables and accruals of RMB129.7 million, (ii) the increase of our trade payables of RMB93.8 million, and (iii) the increase of our tax payables of RMB53.4 million.

Our net current assets increased from RMB7,905.0 million as of December 31, 2023 to RMB8,781.4 million as of December 31, 2024, primarily due to the increase of our total current assets, which outweighed the increase of our total current liabilities. Our total current assets increased from RMB8,296.1 million as of December 31, 2023 to RMB9,461.3 million as of December 31, 2024, primarily due to (i) the increase of our cash and cash equivalents of RMB1,033.0 million, (ii) the increase of our trade receivables of RMB93.5 million, and (iii) the increase of our current financial assets at fair value through profit or loss of RMB80.2 million; partially offset by the decrease of our inventories of RMB130.2 million. This was partially offset by the increase in our total current liabilities from RMB391.2 million as of December 31, 2023 to RMB679.9 million as of December 31, 2024, primarily due to (i) the increase of our other payables and accruals of RMB147.8 million, (ii) the increase of our trade payables of RMB80.1 million, and (iii) the increase of our tax payables of RMB37.8 million.

Our net current assets decreased from RMB7,997.1 million as of December 31, 2022 to RMB7,905.0 million as of December 31, 2023, primarily due to the decrease of our total current assets, which outweighed the decrease of our total current liabilities. Our total current assets decreased from RMB8,636.5 million as of December 31, 2022 to RMB8,296.1 million as of December 31, 2023, primarily due to (i) the decrease of our inventories of RMB256.0 million, (ii) the decrease of our cash and cash equivalents of RMB167.9 million, and (iii) the decrease of our trade receivables of RMB28.1 million; partially offset by (i) the increase of our current financial assets at fair value through profit or loss of RMB93.2 million, and (ii) the increase of our prepayments, other receivables and other assets of RMB27.8 million. This was partially offset by the decrease of our total current liabilities from RMB639.4 million as of December 31, 2022 to RMB391.2 million as of December 31, 2023, primarily due to (i) the decrease of our tax payables of RMB98.3 million, (ii) the decrease of our trade payables of RMB66.1 million, and (iii) the decrease of our other payables and accruals of RMB64.3 million; partially offset by the increase of our current lease liabilities of RMB1.4 million.

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Assets

Property, Plant and Equipment

Our property, plant and equipment primarily include (i) construction in progress, (ii) buildings, (iii) furniture, fixture and device, (iv) photomask, and (v) others, consisting of leasehold improvements, motor vehicle and freehold land. The following table sets forth the breakdown of our property, plant and equipment as of the dates indicated.

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	<i>(RMB in thousands)</i>			
Construction in progress	61,859	226,799	507,416	526,642
Buildings	472,914	494,482	481,385	628,724
Furniture, fixture and device	46,875	105,749	89,318	80,808
Photomask	49,302	105,528	174,355	221,813
Others	2,601	13,602	14,314	16,681
Total	633,551	946,160	1,266,788	1,474,668

Our property, plant and equipment increased from RMB633.6 million as of December 31, 2022 to RMB946.2 million as of December 31, 2023, and further to RMB1,266.8 million as of December 31, 2024 and RMB1,474.7 million as of September 30, 2025, primarily due to (i) the increase in construction in progress, as a result of new construction project in Lingang, Shanghai, and (ii) the increase in photomask.

Investment Properties

Our investment properties represent a portion of our headquarter building in Shanghai. Our investment properties remain relatively stable during the Track Record Period.

Right-of-use Assets

Our right-of-use assets mainly represent our office premises and leasehold land. Our right-of-use assets decreased from RMB92.7 million as of December 31, 2022 to RMB86.7 million as of December 31, 2023, primarily due to depreciation. Our right-of-use assets increased to RMB119.8 million as of December 31, 2024, primarily attributable to the increase in office premises. Our right-of-use assets subsequently decreased to RMB111.6 million as of September 30, 2025, primarily due to depreciation.

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Other Intangible Assets

Our other intangible assets consist of our licensed IPs and software. Our other intangible assets increased from RMB52.9 million as of December 31, 2022 to RMB60.9 million as of December 31, 2023, primarily due to the increase in licensed IPs. Our other intangible assets subsequently decreased to RMB58.8 million as of December 31, 2024 and RMB45.9 million as of September 30, 2025, primarily attributable to the amortization.

Investments in Associates

Our investments in associates refer to our equity interests in unlisted companies. Our investments in associates increased from RMB64.3 million as of December 31, 2022 to RMB70.7 million as of December 31, 2023, and further to RMB109.2 million as of December 31, 2024, primarily attributable to our increased investment of equity interest of the associates. Our investments in associates subsequently decreased to RMB95.6 million as of September 30, 2025, primarily due to share of losses of our associates.

Financial Assets at Fair Value Through Profit or Loss

Our current financial assets at fair value through profit or loss represent structured deposits and equity investments, and our non-current financial assets at fair value through profit or loss represent equity investments at fair value. Our structured deposits primarily consist of principal-guaranteed deposits with a term of one year or less issued by large commercial banks in mainland China. We consider the structured deposits we hold generally have a nature of low credit risk. Our finance manager is responsible for the analysis and initiate the application in structured deposits products based on our cash positions. Investment decisions on structured deposits must be approved by our head of finance.

Our investment decisions with respect to equity investments are made on a case-by-case basis and after due and careful consideration of a number of factors, including, but not limited to, the market conditions, the economic developments, the anticipated investment conditions, the investment cost, the duration of the investment and the expected benefit and potential loss of the investment.

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We have established comprehensive investment policies and mechanism for all equity investments, specifying approval authorities based on transaction scale. Decisions are subject to review and approval by the Shareholders' meeting, the Board, and the Executive Committee Meeting within their respective limits. For instance, the Board reviews and approves mid-level investments falling within defined financial thresholds, ensuring appropriate oversight. Smaller transactions are handled by the Executive Committee Meeting or the Investment Committee according to delegated authority. This tiered approval system ensures that capital management decisions align with their potential impact and comply with corporate governance standards. Our management team consists of seasoned experts across multiple fields, including industry, marketing, technology, finance, and law, and we have also established a specialized team for equity investment management. We will comply with requirements under Chapter 14 of the Listing Rules and disclose the details of our investments and other notifiable transactions to the extent necessary and as appropriate after the Global Offering.

The following table sets forth the breakdown of our financial assets at fair value through profit or loss as of the dates indicated.

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	<i>(RMB in thousands)</i>			
Current				
Structured deposits	1,566,069	1,460,288	1,629,363	427,371
Equity investments	44,021	242,979	154,132	118,478
Subtotal	1,610,090	1,703,267	1,783,495	545,849
Non-Current				
Unlisted equity investments at fair value	396,440	582,868	575,244	561,703
Listed equity investments, at fair value	117,874	—	—	—
Subtotal	514,314	582,868	575,244	561,703
Total	2,124,404	2,286,135	2,358,739	1,107,552

Our financial assets at fair value through profit or loss increased from RMB2,124.4 million as of December 31, 2022 to RMB2,286.1 million as of December 31, 2023, primarily due to the increase in equity investments. Our financial assets at fair value through profit or loss increased from RMB2,286.1 million as of December 31, 2023 to RMB2,358.7 million as of December 31, 2024, primarily due to the increase in structured deposits. Our financial assets at fair value through profit or loss decreased from RMB2,358.7 million as of December 31, 2024 to RMB1,107.6 million as of September 30, 2025, primarily due to the decrease in structured deposits.

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Other Non-current Assets

Our other non-current assets mainly consist of prepayment for property, plant and equipment and other long-term deferred expenses. Our other non-current assets decreased from RMB29.4 million as of December 31, 2022 to RMB10.4 million as of December 31, 2023, and further to RMB3.3 million as of December 31, 2024, primarily attributable to the decrease in prepayment for property, plant and equipment and other long-term deferred expenses. Our other non-current assets subsequently remained relatively stable at RMB3.3 million as of December 31, 2024 and RMB3.3 million as of September 30, 2025, respectively.

Inventories

Our inventories comprise of raw materials, finished goods and materials consigned for processing. The following table sets forth the carrying amount of our inventories as of the dates indicated:

	As of December 31,			As of
	2022	2023	2024	September 30,
				2025
	<i>(RMB in thousands)</i>			
Inventories				
Raw materials	70,764	106,823	58,271	218,072
Finished goods	602,346	474,749	349,270	399,275
Materials consigned for				
processing	116,760	129,765	199,434	375,751
Provision for impairment of				
inventories	(51,437)	(228,951)	(254,779)	(197,351)
Total	<u>738,433</u>	<u>482,386</u>	<u>352,196</u>	<u>795,747</u>

Our inventories decreased from RMB738.4 million as of December 31, 2022 to RMB482.4 million as of December 31, 2023, primarily due to the inventory destocking across the broader industry and we recorded an increase in provision for impairment of inventories, and further to RMB352.2 million as of December 31, 2024, primarily due to the decrease in raw materials and finished goods, as a result of our increased sales in 2024. The decreasing trend of our inventory level from 2022 to 2024 was a combined effect of the provision of impairment of inventories in 2023 and the strong customer demand during 2024. We actively monitor our inventory level to maintain sufficient and sustainable storage level. Our inventories subsequently increased to RMB795.7 million as of September 30, 2025, primarily due to the increase in raw materials and materials consigned for processing. As of September 30, 2025, the majority of our memory interconnect inventories are DDR5 memory interconnect products and no material unsold inventory for DDR4 memory interconnect products.

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The following table sets forth the aging analysis of our inventory as of the dates indicated:

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	<i>(RMB in thousands)</i>			
Within 1 year	741,708	290,660	309,578	806,053
Over 1 year	48,162	420,677	297,397	187,045
Provision for impairment of inventories	(51,437)	(228,951)	(254,779)	(197,351)
Total	<u>738,433</u>	<u>482,386</u>	<u>352,196</u>	<u>795,747</u>

We believe we have a comprehensive and adequate system in place for identifying and accounting for inventory risks and impairment provisions. We regularly review our inventory to identify items with low sales or usage value and make impairment provisions accordingly. In addition, we further assess inventory based on the lower of cost or net realizable value to make any additional impairment provisions. The increase in our inventories over one year in 2023 was primarily due to the slow-moving of early generation Jintide products during the industry-wide inventory destocking, and we accordingly made provision for impairment of these inventories. Under our active inventory management system, the balance of long-aged inventories decreased in 2024 and the first three quarters of 2025.

The following table sets forth the turnover days of our inventory for the periods indicated:

	For the Year Ended December 31,			For the Nine Months Ended September 30,
	2022	2023	2024	2025
Inventory turnover days ⁽¹⁾	103	237	100	99

Note:

- (1) Inventory turnover days for a period equals the average of the net value of the opening and closing inventories balance divided by cost of sales for the relevant period and multiplied by the number of days in the relevant period (i.e. 365 days for a fiscal year and 270 days for the nine months ended September 30).

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Our inventory turnover days were primarily affected by production cycles, customer delivery deadlines and other related factors that we take into consideration in ensuring timely supply during regular production processes. We maintained inventory turnover for approximately 100 days in 2022 and 2024 and for the nine months ended September 30, 2025, and the increased inventory turnover days in 2023 was primarily due to a decrease in sales of Jintide products.

As of November 30, 2025, RMB220.3 million, or 27.7% of inventories outstanding as of September 30, 2025 had been subsequently utilized or sold.

Trade Receivables

Trade receivables are amounts due for goods sold in the ordinary course of business. We granted credit terms to certain customers during the Track Record Period. Such credit terms typically range from 30 to 60 days. We seek to maintain strict control over our outstanding receivables. Overdue balances are reviewed regularly by senior management. We do not hold any collateral or other credit enhancements over our trade receivable balances. The balances of trade receivables are non-interest-bearing.

Our trade receivables decreased from RMB322.4 million as of December 31, 2022 to RMB294.3 million as of December 31, 2023, subsequently increased to RMB387.8 million as of December 31, 2024 and RMB568.2 million as of September 30, 2025, generally in line with changes of our revenue during the Track Record Period.

The following table sets forth an aging analysis of our trade receivables as of the dates indicated:

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	<i>(RMB in thousands)</i>			
Trade receivables				
Within 30 days	299,182	272,387	357,354	499,741
30 to 60 days	24,449	20,076	32,018	71,159
60 to 180 days	368	3,265	364	—
Impairment	(1,620)	(1,474)	(1,945)	(2,696)
Total	<u>322,379</u>	<u>294,254</u>	<u>387,791</u>	<u>568,204</u>

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The following table sets forth the turnover days of our trade receivables for the periods indicated:

	For the Year Ended December 31,			For the Nine Months Ended September 30,
	2022	2023	2024	2025
Trade receivable turnover days ⁽¹⁾	25	49	34	32

Note:

- (1) Trade receivable turnover days for a period equals the average of the net value of the opening and closing trade receivable balance divided by revenue for the relevant period and multiplied by the number of days in the relevant period (i.e. 365 days for a fiscal year and 270 days for the nine months ended September 30).

We recorded trade receivable turnover days of 25, 49, 34 and 32 days during the Track Record Period, generally in line with our credit terms.

As of November 30, 2025, RMB566.7 million, or 99.7% of our trade receivables as of September 30, 2025 had been subsequently settled.

Prepayments, Other Receivables and Other Assets

Our prepayments, other receivables and other assets comprise of (i) prepayments, primarily include prepayments to our suppliers, (ii) value-added tax recoverable, (iii) accrued interest income and (iv) others. The following table sets forth a breakdown of our prepayments, deposits and other receivables as of the dates indicated:

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	(RMB in thousands)			
Prepayments	68,288	3,132	4,394	28,812
Value-added tax recoverable .	19,388	55,694	79,456	81,972
Accrued interest income	19,178	69,491	101,420	83,831
Others	7,463	13,819	10,674	41,861
Total	114,317	142,136	195,944	236,476

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Our prepayments, other receivables and other assets increased from RMB114.3 million as of December 31, 2022 to RMB142.1 million as of December 31, 2023, primarily due to the increases in accrued interest income and value-added tax recoverable; partially offset by the decrease in prepayments. The relatively high balance of our prepayments as of December 31, 2022 was primarily due to the prepayment for R&D design service, which was deducted in subsequent procurement.

Our prepayments, other receivables and other assets increased from RMB142.1 million as of December 31, 2023 to RMB195.9 million as of December 31, 2024, primarily due to increases in accrued interest income.

Our prepayments, other receivables and other assets increased from RMB195.9 million as of December 31, 2024 to RMB236.5 million as of September 30, 2025, primarily due to increases in prepayments for our advance stocking to reserve production capacity of our suppliers, driven by strong customer demand. We expect the balance of our prepayments to decline and stabilize in accordance with our procurement schedule.

As of November 30, 2025, RMB59.5 million, or 25.1% of our prepayments, other receivables and other assets as of September 30, 2025, had been subsequently settled.

Pledged Deposits

Our pledged deposits primarily represent restricted cash held in designated bank accounts for bank guarantee related to our construction project in Lingang, Shanghai. We had pledged deposits of RMB17.5 million, RMB8.2 million, RMB42.9 million and RMB42.9 million as of December 31, 2022, 2023 and 2024 and September 30, 2025, respectively.

Cash and Cash Equivalents

We had cash and cash equivalents of RMB5,833.8 million, RMB5,665.9 million, RMB6,698.9 million and RMB8,771.9 million as of December 31, 2022, 2023, 2024 and September 30, 2025, respectively. For details, see “— Liquidity and Capital Resources.”

Liabilities

Trade Payables

Our trade payables represent outstanding amounts due to suppliers. During the Track Record Period, our credit terms from our suppliers typically ranged from 30 to 60 days. Our trade payables decreased from RMB197.2 million as of December 31, 2022 to RMB131.1 million as of December 31, 2023, primarily due to our decreased purchase from suppliers. Our trade payables subsequently increased to RMB211.2 million as of December 31, 2024, which was generally in line with our business growth, and further increased to RMB305.0 million as of September 30, 2025.

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The following table sets forth an aging analysis of our trade payables as of the dates indicated:

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	<i>(RMB in thousands)</i>			
Trade payables				
Within 30 days	164,180	119,666	170,210	270,129
30 to 60 days	31,688	10,487	38,246	9,310
60 to 180 days	894	304	282	18,516
180 to 360 days	404	658	2,416	7,010
Total	<u>197,166</u>	<u>131,115</u>	<u>211,154</u>	<u>304,965</u>

The following table sets forth the turnover days of our trade payables for the periods indicated:

	For the Year Ended December 31,			For the Nine Months Ended September 30,
	2022	2023	2024	2025
Trade payable turnover days ⁽¹⁾	37	64	41	45

Note:

- (1) Trade payable turnover days for a period equals the average of the opening and closing trade payable balance divided by cost of sales for the relevant period and multiplied by the number of days in the relevant period (i.e. 365 days for a fiscal year and 270 days for the nine months ended September 30).

We recorded trade payable turnover days of 37, 64, 41 and 45 days during the Track Record Period, generally in line with credit terms granted from our suppliers.

As of November 30, 2025, RMB284.1 million, or 93.2% of our trade payables outstanding as of September 30, 2025, had been subsequently settled.

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Other Payables and Accruals

Our other payables and accruals consist of (i) payroll and welfare payable, (ii) dividends payable, (iii) payables for purchase of property, plant and equipment, (iv) warranty, (v) professional services and consulting fees, (vi) deposits and (vii) others. As of December 31, 2022, 2023 and 2024 and September 30, 2025, all other payables were unsecured, non-interest-bearing and repayable on demand.

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	<i>(RMB in thousands)</i>			
Payroll and welfare payable.	207,941	165,557	260,689	579,413
Dividends payable	–	–	–	226,856
Payables for purchase of				
PP&E	41,099	18,481	104,155	48,647
Warranty	5,977	4,183	6,200	8,181
Professional and consulting	8,779	4,456	3,667	7,705
Deposits	1,054	2,712	2,728	3,153
Others	26,322	31,560	16,821	37,206
Total	<u>291,172</u>	<u>226,949</u>	<u>394,260</u>	<u>911,161</u>

Our other payables and accruals decreased from RMB291.2 million as of December 31, 2022 to RMB226.9 million as of December 31, 2023, primarily due to (i) the decrease in payroll and welfare payable, and (ii) the decrease in payables for purchase of property, plant and equipment. Our other payables and accruals subsequently increased to RMB394.3 million as of December 31, 2024, primarily due to (i) the increase in payroll and welfare payable, mainly as a result of the increase in bonus payables to employees, and (ii) payables for purchase of property, plant and equipment. Our other payables and accruals increased to RMB911.2 million as of September 30, 2025, primarily due to the increase in payroll and welfare payable, as well as dividends payable which was subsequently settled in October 2025.

Contract Liabilities

Our contract liabilities primarily arise from advance payments made by customers for goods yet to be delivered. The carrying amount of our contract liabilities amounted to RMB22.7 million, RMB1.6 million, RMB22.1 million and RMB26.9 million as of December 31, 2022, 2023 and 2024 and September 30, 2025, respectively. As of November 30, 2025, all of our contract liabilities as of September 30, 2025, had been subsequently settled.

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Lease Liabilities

Our lease liabilities arise from payment obligations for properties leased primarily as our offices. The carrying amount of our lease liabilities, including current and non-current portions, amounted to RMB20.7 million, RMB15.5 million, RMB44.8 million and RMB38.2 million as of December 31, 2022, 2023, 2024 and September 30, 2025, respectively.

Deferred Income

Our deferred income consisted of government grants. We recorded deferred income of RMB87.7 million, RMB92.4 million, RMB92.0 million and RMB94.3 million, as of December 31, 2022, 2023, 2024 and September 30, 2025, respectively. For the movements in government grants, please see Note 30 of Appendix I in this Prospectus for details.

LIQUIDITY AND CAPITAL RESOURCES

The following table presents our consolidated cash flow data for the periods indicated.

	For the Year Ended December 31,			For the Nine Months Ended September 30,	
	2022	2023	2024	2024	2025
	(RMB in thousands)				
	(unaudited)				
Net cash generated from					
operating activities	688,835	731,250	1,691,322	1,260,712	1,600,671
Net cash generated from/ (used in) investing					
activities.	63,445	(574,241)	(443,474)	(104,504)	1,141,234
Net cash used in financing					
activities.	(270,090)	(372,109)	(276,938)	(643,988)	(606,734)
Net increase/(decrease) in					
cash and cash					
equivalents	482,190	(215,100)	970,910	512,220	2,135,171
Cash and cash equivalents					
at beginning of the					
year/period	5,083,941	5,833,750	5,665,880	5,665,880	6,698,932
Effect of foreign exchange					
rate changes, net	267,619	47,230	62,142	(37,940)	(62,169)
Cash and cash					
equivalents at end of					
the year/period	<u>5,833,750</u>	<u>5,665,880</u>	<u>6,698,932</u>	<u>6,140,160</u>	<u>8,771,934</u>

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Net Cash Generated from Operating Activities

For the nine months ended September 30, 2025, our net cash generated from operating activities was RMB1,600.7 million, which was primarily attributable to profit before tax of RMB1,693.0 million, adjusted for certain non-cash and non-operating items. Adjustments for such non-cash and non-operating items primarily include (i) equity-settled share-based payment expenses of RMB145.1 million and (ii) depreciation of property, plant and equipment of RMB83.4 million. The amount was further adjusted by changes in working capital, primarily including (i) increases in inventories of RMB410.6 million, and (ii) increase in trade receivables of RMB186.2 million; partially offset by increase in other payables and accruals of RMB335.5 million.

In 2024, our net cash generated from operating activities was RMB1,691.3 million, which was primarily attributable to profit before tax of RMB1,412.6 million, adjusted for certain non-cash and non-operating items. Adjustments for such non-cash and non-operating items primarily include (i) depreciation of property, plant and equipment of RMB84.1 million, and (ii) impairment of inventories of RMB44.4 million, partially offset by gain on disposal of financial assets at fair value through profit or loss of RMB52.9 million. The amount was further adjusted by changes in working capital, primarily including (i) increases in trade payables of RMB84.6 million, and (ii) decreases in inventories of RMB82.7 million, partially offset by increase in trade receivables of RMB104.0 million.

In 2023, our net cash generated from operating activities was RMB731.3 million, which was primarily attributable to profit before tax of RMB472.2 million, adjusted for certain non-cash and non-operating items. Adjustments for such non-cash and non-operating items primarily include (i) impairment of inventories of RMB192.5 million, and (ii) equity-settled share-based payment expenses of RMB122.7 million, partially offset by gain on disposal of financial assets at fair value through profit or loss of RMB89.2 million. The amount was further adjusted by changes in working capital, primarily including (i) decreases in other payables and accruals of RMB47.5 million, and (ii) decreases in trade payables of RMB44.8 million.

In 2022, our net cash generated from operating activities was RMB688.8 million, which was primarily attributable to profit before tax of RMB1,413.9 million, adjusted for certain non-cash and non-operating items. Adjustments for such non-cash and non-operating items primarily include gain on disposal of financial assets at fair value through profit or loss of RMB373.8 million, partially offset by equity-settled share-based payment expenses of RMB151.3 million. The amount was further adjusted by changes in working capital, primarily including (i) increases in inventories of RMB389.5 million, and (ii) increases in trade receivables of RMB137.6 million, partially offset by increase in other payables and accruals of RMB176.1 million.

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Net Cash Generated from/Used in Investing Activities

For the nine months ended September 30, 2025, our net cash generated from investing activities was RMB1,141.2 million, primarily attributable to proceeds from disposal of financial assets at fair value through profit or loss of RMB3,194.0 million; partially offset by purchases of financial assets at fair value through profit or loss of RMB1,819.9 million.

In 2024, our net cash used in investing activities was RMB443.5 million, primarily attributable to (i) purchases of financial assets at fair value through profit or loss of RMB5,101.0 million, and (ii) purchases of items of property, plant and equipment of RMB353.3 million; partially offset by proceeds from disposal of financial assets at fair value through profit or loss of RMB5,112.1 million.

In 2023, our net cash used in investing activities was RMB574.2 million, primarily attributable to (i) purchases of financial assets at fair value through profit or loss of RMB4,035.3 million, and (ii) purchases of items of property, plant and equipment of RMB392.4 million; partially offset by proceeds from disposal of financial assets at fair value through profit or loss of RMB3,883.4 million.

In 2022, our net cash generated from investing activities was RMB63.4 million, primarily attributable to proceeds from disposal of financial assets at fair value through profit or loss of RMB5,806.0 million; partially offset by purchases of financial assets at fair value through profit or loss of RMB5,542.9 million.

Net Cash Used in Financing Activities

For the nine months ended September 30, 2025, our net cash used in financing activities was RMB606.7 million, primarily attributable to distribution to shareholders of RMB443.1 million.

In 2024, our net cash used in financing activities was RMB276.9 million, primarily attributable to (i) repurchase of A shares of RMB409.1 million, and (ii) distribution to shareholders of RMB338.5 million; partially offset by sale of treasury shares of RMB297.7 million.

In 2023, our net cash used in financing activities was RMB372.1 million, primarily attributable to (i) distribution to shareholders of RMB341.5 million, and (ii) repurchase of A shares of RMB300.0 million; partially offset by sale of treasury shares of RMB168.5 million.

In 2022, our net cash used in financing activities was RMB270.1 million, primarily attributable to (i) distribution to shareholders of RMB338.9 million, and (ii) principal portion of lease payments of RMB13.3 million; partially offset by issuance of ordinary shares of RMB82.3 million.

FINANCIAL INFORMATION

WORKING CAPITAL

Taking into account the financial resources available to us, including anticipated cash flow from our operating activities, existing cash and cash equivalents and the estimated net proceeds from the Global Offering, our Directors believe that we have sufficient working capital for our present requirements and for the next 12 months from the date of this Prospectus. After making reasonable inquiries of our management about our working capital, the Joint Sponsors concur with the views of our Directors.

We intend to finance our future working capital requirements and capital expenditures primarily from cash expected to be generated from operating activities and funds raised from financing activities, including the net proceeds we will receive from the Global Offering.

INDEBTEDNESS

The following table sets forth a breakdown of our financial indebtedness as of the dates indicated.

	As of December 31,			As of	As of
	2022	2023	2024	September 30,	November 30,
				2025	2025
	<i>(RMB in thousands)</i>				<i>(unaudited)</i>
Current					
Lease liabilities	11,894	13,285	15,957	15,680	15,697
Non-Current					
Lease liabilities	8,819	2,205	28,799	22,522	20,170
Total	20,713	15,490	44,756	38,202	35,867

Lease Liabilities

Lease liabilities represent the present value of outstanding lease payments under our lease agreements. We recorded non-current lease liabilities of RMB8.8 million, RMB2.2 million, RMB28.8 million and RMB22.5 million, respectively, as of December 31, 2022, 2023 and 2024 and September 30, 2025. We recorded current lease liabilities of RMB11.9 million, RMB13.3 million, RMB16.0 million and RMB15.7 million, respectively, as of December 31, 2022, 2023 and 2024 and September 30, 2025.

Except as discussed above, we had no outstanding indebtedness or any loan capital issued and outstanding or agreed to be issued, bank overdrafts, term-loans, other borrowings or similar indebtedness, liabilities under acceptances (other than normal trade bills), acceptance credits, debentures, mortgages, charges, finance lease or hire purchase commitments, guarantees or other contingent liabilities or any covenant in connection therewith as of November 30, 2025, being our indebtedness statement date. Our Directors confirm that there had been no material change in our indebtedness since November 30, 2025 and up to the Latest Practicable Date.

During the Track Record Period, we have not applied for any banking facilities. As of November 30, 2025, we did not have any unutilized banking facilities.

FINANCIAL INFORMATION

CAPITAL EXPENDITURES

The following table sets forth our capital expenditures for the periods indicated.

	For the Year Ended December 31,			For the Nine Months Ended September 30,
	2022	2023	2024	2025
	<i>(RMB in thousands)</i>			
Purchases of items of PP&E	207,637	392,389	353,258	221,955
Purchases of other intangible assets .	19,222	29,235	22,330	5,905
Total	226,859	421,624	375,588	227,860

Our capital expenditures were RMB226.9 million, RMB421.6 million, RMB375.6 million and RMB227.9 million, respectively, in 2022, 2023 and 2024 and the nine months ended September 30, 2025, primarily attributable to capital expenditures on purchases of items of property, plant and equipment and purchases of other intangible assets. We intend to fund our future capital expenditures with financial resources available to us, including our existing cash balance, cash generated from our operation activities and proceeds from the Global Offering. We will continue to make capital expenditures to meet the expected growth of our business. See “Future Plans and Use of Proceeds — Use of Proceeds.”

CONTRACTUAL OBLIGATIONS

Capital Expenditure Related Commitments

Our capital commitments are related to capital expenditure on construction of plant and buildings and acquisition of machinery and equipment to be incurred but not yet recorded as liabilities. Our capital expenditure contracted for but not yet incurred as of December 31, 2022, 2023 and 2024 and September 30, 2025 was RMB399.2 million, RMB343.2 million, RMB85.1 million and RMB42.5 million, respectively. We expect to satisfy our capital commitments using cash from operations. We did not have any default on bank or other borrowings, any breach of covenants, or any difficulty in obtaining bank loans or banking facilities during the Track Record Period and up to the Latest Practicable Date.

OFF-BALANCE SHEET ARRANGEMENTS

As of the Latest Practicable Date, we did not have any material off-balance sheet commitments or arrangements.

CONTINGENT LIABILITIES

As of December 31, 2022, 2023 and 2024 and September 30, 2025, we did not have any contingent liabilities. Our Directors confirm that there has been no material change in our contingent liabilities as of the Latest Practicable Date.

FINANCIAL INFORMATION

RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time. Our Directors are of the view that each of the related party transactions was conducted in the ordinary course of business on an arm's-length basis and with normal commercial terms between the relevant parties. Our Directors are also of the view that our related party transactions during the Track Record Period would not distort our track record results or cause our historical results to become non-reflective of our future performance. For further details of the outstanding balances of our related party transactions, see Note 37 to the Accountant's Report in Appendix I to this Prospectus.

KEY FINANCIAL RATIOS

The following table sets forth some of our key financial ratios for the periods indicated.

	As of/For the Year Ended December 31,			As of/For the Nine Months Ended September 30,
	2022	2023	2024	2025
Gross profit margin ⁽¹⁾	46.4%	58.9%	58.1%	61.5%
Net profit margin ⁽²⁾	35.4%	19.7%	36.8%	38.8%
Current ratio ⁽³⁾	13.5	21.2	13.9	11.4
Quick ratio ⁽⁴⁾	12.4	20.0	13.4	10.6
Trade receivable turnover days ⁽⁵⁾	25	49	34	32

Notes:

- (1) Gross profit margin is calculated using gross profit for the year/period divided by revenue for the year/period and multiplied by 100%.
- (2) Net profit margin is calculated using net profit for the year/period divided by revenue for the year/period and multiplied by 100%.
- (3) Current ratio is calculated by dividing total current assets by total current liabilities as of the dates indicated.
- (4) Calculated using current assets less inventories and divided by current liabilities as of the dates indicated.
- (5) Trade receivable turnover days for a period equals the average of the net value of the opening and closing trade receivable balance divided by revenue for the relevant period and multiplied by the number of days in the relevant period (i.e. 365 days for a fiscal year and 270 days for the nine months ended September 30).

Our current ratio and quick ratio increased in 2023, primarily because of decreased current liabilities. This is attributable to the decrease in trade payables and tax payables, in line with our business fluctuation in 2023. We subsequently witnessed decrease in current ratio and quick ratio in the nine months ended September 30, 2025, primarily due to the increase in our other payables and accruals and trade payables because of an increase in payroll and welfare payable, as well as dividends payable which was subsequently settled in October 2025. Our trade receivable turnover days increased in 2023, primarily because certain customers with longer credit terms accounted for a relatively large proportion of our trade receivables in 2023. Our trade receivable turnover days further decreased to 34 days and 32 days for 2024 and for the nine months ended September 30, 2025, respectively, generally in line with our typical credit terms.

For a more comprehensive discussion of the factors affecting our key financial ratios during the Track Record Period, see “— Discussion of Results of Operations.”

FINANCIAL INFORMATION

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Market Risk

Foreign Currency Risk

We have transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies.

Credit Risk

Credit risk is the risk that a counterparty cannot meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from its operating activities (primarily trade receivables).

We trade only with recognised and creditworthy third parties and related parties. It is our policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and our exposure to bad debts is not significant.

The carrying amounts of cash and cash equivalents, trade receivables and financial assets included in prepayments, other receivables and other assets included in the consolidated statements of financial position represent our maximum exposure to credit risk in relation to its financial assets as of December 31, 2022, 2023 and 2024 and September 30, 2025. We have no other financial assets which carry significant exposure to credit risk.

Liquidity Risk

Liquidity risk is the risk that we will encounter difficulty in meeting financial obligations due to shortage of funds. Our exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. Our objective is to maintain a balance for continuity of funding to finance its working capital needs as well as capital expenditure.

Capital management and investment policies

The primary objectives of our capital management and investment policies are to safeguard our ability to continue as a going concern and to maintain healthy capital structure in order to support its business and maximize shareholders' value.

We manage our capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, we may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. We are not subject to any externally imposed capital requirement. No change was made in the objectives, policies or processes for managing capital during the Track Record Period.

FINANCIAL INFORMATION

We monitor capital using a gearing ratio, which is total liabilities divided by total assets. Our policy is to maintain the gearing ratio at a reasonable level.

We have established clear capital management and investment policies and mechanism, specifying approval authorities based on transaction scale. Decisions are subject to review and approval by the Shareholders' meeting, the Board of Directors, and the Executive Committee Meeting within their respective limits. For instance, the Board of Directors reviews and approves mid-level investments falling within defined financial thresholds, ensuring appropriate oversight. Smaller transactions are handled by the Executive Committee Meeting or the Investment Committee according to delegated authority. This tiered approval system ensures that capital management decisions align with their potential impact and comply with corporate governance standards.

For further details, see Note 40 to the Accountant's Report in Appendix I to this Prospectus.

DIVIDEND

During the Track Record Period, we have declared and paid dividend of RMB341.4 million, RMB338.2 million and RMB443.1 million for the year ended December 31, 2022, 2023 and 2024, respectively. On August 29, 2025, we have approved an interim dividend in 2025 for a cash dividend of RMB226.9 million and such dividend was fully paid in October 2025.

Our Company currently does not have a formal standalone dividend policy or pre-determined dividend payout ratio. As set forth in our Articles of Association, the Company shall prioritize cash dividends for profit distribution when it is profit-making, has no undistributed deficit and possesses ample cash to pay out dividends without disrupting its regular business operations. Over any three-year period, the cumulative amount of cash dividends distributed must be at least 30% of the average annual distributable profits for those three years. The board of Directors shall set a specific annual distribution ratio based on the Company's performance in each given year.

Generally, our Board will make dividend proposals, taking into account factors including our actual and expected results of operations, cash flow and financial position, general business conditions and business strategies, expected working capital requirements and future expansion plans, legal, regulatory and other contractual restrictions, and other factors that our Board deems to be appropriate. Our Shareholders in a general meeting may approve declaration of dividends.

FINANCIAL INFORMATION

DISTRIBUTABLE RESERVES

As of September 30, 2025, the Company has distributable reserves of RMB6,151.4 million.

LISTING EXPENSES

Based on the Offer Price of HK\$106.89 per Offer Share, the total listing expenses (including underwriting commissions) payable by our Company are estimated to be approximately HK\$138.4 million (equivalent to approximately RMB124.2 million), assuming the Over-allotment Option is not exercised. These listing expenses mainly comprise professional fees paid and payable to the professional parties, and commissions payable to the Underwriters, for their services rendered in relation to the Listing and the Global Offering.

As of September 30, 2025, we have incurred Listing expenses of RMB21.8 million for the Global Offering. We estimate that the listing expenses of RMB124.2 million (including (i) underwriting commissions of RMB72.7 million, assuming the Over-allotment Option is not exercised and based on an Offer Price of HK\$106.89 per Offer Share and (ii) non-underwriting expenses of RMB51.5 million, including (a) the legal counsels and reporting accountants expenses of RMB25.6 million, and (b) other fees and expenses of RMB25.9 million), accounting for 2.0% of our gross proceeds, will be further incurred by our Group, of which RMB9.0 million is expected to be charged to our consolidated statements of profit or loss and RMB115.2 million is expected to be charged against equity upon the Listing.

PROPERTY VALUATION

Savills Valuation and Professional Services (China) Limited, an independent property valuer, has valued our investment properties as of November 30, 2025. Details of our investment property interests are set out in Appendix III to this Prospectus. The table below sets forth the comparison between the net book value of our investment properties and the valuation of such investment properties as of November 30, 2025.

	<u>RMB'000</u>
Net book value of our investment properties as of November 30, 2025	377,867
Add: valuation surplus	3,133
Valuation as of November 30, 2025 as set out in Appendix III of this Prospectus	<u>381,000</u>

FINANCIAL INFORMATION

UNAUDITED PRO FORMA ADJUSTED NET TANGIBLE ASSETS

The following is an illustrative unaudited pro forma statement of adjusted net tangible assets of the Group attributable to owners of the Company which has been prepared in accordance with Rule 4.29 of the Listing Rules for the purpose of illustrating the effect of the Global Offering on the audited consolidated net tangible assets of the Group attributable to equity holders of the Company as of September 30, 2025 as if the Global Offering had taken place on that date.

The unaudited pro forma statement of adjusted 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 had the Global Offering been completed as of September 30, 2025 or any future dates.

	Audited consolidated net tangible assets of the Group attributable to equity holders of the Company as of September 30, 2025	Estimated net proceeds from the Global Offering	Unaudited proforma adjusted net tangible assets of the Group attributable to the equity holders of the Company as of September 30, 2025	Unaudited pro forma adjusted net tangible assets per Share	
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB</i>	<i>Equivalent to HK\$</i>
Based on an Offer Price of HK\$106.89 per H Share	12,223,298	6,198,624	18,421,922	15.20	16.93

Notes:

1. The consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2025 is based on consolidated net assets of the Group attributable to owners of the Company as at 30 September 2025 of RMB12,259,642,000, after netting off other intangible assets of the Group attributable to owners of the Company as at 30 September 2025 of approximately RMB36,344,000.
2. The estimated net proceeds from the Global Offering are based on estimated offer prices of HK\$106.89 per Share, after deduction of underwriting fees and other listing related expenses payable by the Company and do not take into account any share which may be sold and offered upon exercise of the Over-allotment Option.
3. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share are arrived at after adjustments referred to note 2 above and on the basis that 1,212,316,521 shares are in issue, assuming that the Global Offering had been completed on September 30, 2025, without taking into account of any shares which may be allotted and issued upon the exercise of the Over-allotment Option.
4. For the purpose of this unaudited pro forma statement of adjusted consolidated net tangible assets, the balances stated in Renminbi are converted into Hong Kong dollars at an exchange rate of HK\$1 to RMB0.8978. No representation is made that the Hong Kong dollar amounts have been, could have been or may be converted to Renminbi, or vice versa, at that rate or any other rates or at all.

FINANCIAL INFORMATION

5. The investment properties valued in the property valuation report as set out in Appendix III to this Prospectus represented the properties of the Group. The above unaudited pro forma statement of adjusted consolidated net tangible assets does not take into account the surplus arising from the revaluation of the Group's property interests. Revaluation surplus has not been recorded in the Historical Financial Information (as defined in the accountant's report set forth in Appendix I of this Prospectus) of the Group and will not be recorded in the consolidated financial statements of the Group in the future periods as the Group's investment properties are stated at cost less accumulated depreciation and impairment losses, if any. If the valuation surplus were recorded in the Group's financial statements, additional annual depreciation of approximately RMB88,000 would be charged against the profit or loss in the future periods.
6. No adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets to reflect any trading results or other transactions of the Group entered into subsequent to September 30, 2025.

PROFIT ESTIMATE FOR THE YEAR ENDED DECEMBER 31, 2025

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

Estimated consolidated profit attributable	RMB2.15 billion –
to owners of our Company	2.35 billion

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that, as of the date of the Prospectus, there has been no material adverse change in our financial or trading position, indebtedness, mortgage, contingent liabilities, guarantees or prospects between October 1, 2025 (being the date after the end of the period reported on the Accountant's Report included in Appendix I to this Prospectus) and December 31, 2025 and thereafter up to the date of this Prospectus; and there has been no event since September 30, 2025 which would materially affect the information presented in the Accountant's Report set out in Appendix I to this Prospectus.

DISCLOSURE REQUIRED UNDER THE LISTING RULES

We confirm that, as of the Latest Practicable Date, there were no circumstances that would give rise to disclosure required under Rules 13.13 to 13.19 of the Listing Rules.

FUTURE PLANS AND USE OF PROCEEDS

FUTURE PLANS

See “Business — Our Growth Strategies” for a detailed description of our future plans.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK\$6,904.6 million, after deducting underwriting commissions, fees and estimated expenses payable by us in connection with the Global Offering, assuming no Over-allotment Option is exercised and an Offer Price of HK\$106.89 per Offer Share.

In line with our strategies, we intend to use the net proceeds for the following purposes, subject to changes with respect to our evolving business needs and market conditions:

- Approximately 70.0% or HK\$4,833.2 million will be allocated over the next five years to invest in R&D in interconnect chip domain, aiming to strengthen our global leadership and seize opportunities in the field of cloud computing and AI infrastructure. We plan to expand our business footprints through our consistent innovative R&D efforts with stronger support of personnel and resource to enrich our product portfolio and enhance our product capabilities. In particular:
 - (i) Approximately 35.0% or HK\$2,416.6 million of the net proceeds will be allocated over the next five years to invest in our R&D team by attracting and retaining experienced chip design professionals. We believe strengthening and expanding our R&D team will enable us to: (a) drive the development of memory interconnect solutions, including DDR5 interface chips upgrading and DDR6 interface chips R&D, and simultaneously expanding next-generation products including MRCD/MDB and CKD chips, to solidify our market leadership in the memory interconnect sector; and (b) maintain sustained investment in core technologies, with a focus on advancing SerDes and accelerate our strategic expansion into PCIe/CXL, Ethernet and optical interconnect technologies, achieving comprehensive coverage and delivering cutting-edge solutions. In particular, we plan to allocate 17.0% of the net proceeds to strengthen our R&D team on the technology iteration and product upgrade of memory interconnect chips, and 18.0% of the net proceeds to strengthen our R&D team on the core foundational technologies such as SerDes, and development of PCIe/CXL, Ethernet and optical interconnect products.
 - (ii) Approximately 35.0% or HK\$2,416.6 million of the net proceeds will be allocated to engineering tape-out, sample preparation, procurement of R&D tools and related expenses for the R&D of our interconnect chips solutions, ensuring the efficient advancement of our R&D projects. By systematically addressing our diverse resource needs across the entire R&D process, including chip design, verification, and testing, we seek to drive continuous

FUTURE PLANS AND USE OF PROCEEDS

technological innovation and enhance the competitiveness of our solutions. In particular, we plan to allocate 30.0% of the net proceeds in engineering tape-out and 5.0% of the net proceeds in sample preparation, procurement of R&D tools and other related expenses.

- Approximately 5.0% or HK\$345.2 million will be allocated to enhance our commercialization capabilities. We plan to invest in: (i) globally retaining and recruiting sales, marketing personnel, and field application engineers (FAEs) to further deepen our strategic partnerships with CSPs, server OEM/ODM manufacturers, CPU/GPU vendors, and DRAM suppliers; (ii) strategizing and executing marketing campaigns and actively participating in industry exhibitions and forums to stay at the forefront of market trends, thereby enhancing our market competitiveness and brand influence. In particular, we plan to allocate 4.0% of the net proceeds in retaining and recruiting sales, marketing personnel and FAEs, and 1.0% of the net proceeds in marketing campaigns and industry exhibitions and forums.
- Approximately 15.0% or HK\$1,035.7 million will be allocated to strategic investments and/or acquisitions to achieve our long-term growth strategy. We may seek potential investment and acquisition opportunities, both domestically and internationally, that demonstrate synergies or complement our operations, including but not limited to companies in the semiconductor industry chain, aiming to consolidate our global leadership position in the interconnect chip domain. Specifically, potential targets should have the following attributes:
 - (i) the business of the target should exhibit synergies with or complement to our business. We plan to invest in and/or acquire companies across the semiconductor value chain, which can (a) process strong technological capabilities that complement our technology landscape; or (b) be able to expand our product portfolio, supporting long-term growth; and
 - (ii) the management team or R&D team of the target should have knowledge and extensive relevant experience in the semiconductor industry.

As of the Latest Practicable Date, we had not identified any specific acquisition targets and were not in ongoing negotiations with any specific acquisition targets. According to Frost & Sullivan, there are sufficient targets in the industry that meet our criteria.

- Approximately 10.0% or HK\$690.5 million will be allocated for working capital and general corporate purposes.

The additional net proceeds that we would receive if the Over-allotment Option was exercised in full would be HK\$1,043.2 million (assuming an Offer Price of HK\$106.89 per H Share). We intend to apply the additional net proceeds to the above uses on a pro rata basis.

FUTURE PLANS AND USE OF PROCEEDS

To the extent that the net proceeds of the Global Offering are not immediately used for the above purposes or if we are unable to put into effect any part of our plan as intended, and to the extent permitted by the relevant laws and regulations, we will only deposit 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 applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.

UNDERWRITING

HONG KONG UNDERWRITERS

China International Capital Corporation Hong Kong Securities Limited
Morgan Stanley Asia Limited
UBS AG Hong Kong Branch
(*in alphabetical order*)
Goldman Sachs (Asia) L.L.C.
CLSA Limited

UNDERWRITING

This Prospectus is published solely in connection with the Hong Kong Public Offering. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters on a conditional basis. The International Offering is expected to be fully underwritten by the International Underwriters subject to the terms and conditions of the International Underwriting Agreement. If, for any reason, the Offer Price is not agreed between the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company, the Global Offering will not proceed and will lapse.

The Global Offering comprises the Hong Kong Public Offering of initially 6,589,000 Hong Kong Offer Shares and the International Offering of initially 59,301,000 International Offer Shares, subject, in each case, to the reallocation on the basis as described in “Structure of the Global Offering” as well as to the Over-allotment Option in the case of the International Offering.

Because the Company is a covered foreign person, as defined under the Outbound Investment Rule, certain Underwriters have informed us that they may consider making notifications with the U.S. Department of the Treasury. None of the Underwriters has any obligation to inform us or any investor of their decision with respect to such notifications.

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, we are offering the Hong Kong Offer Shares (subject to reallocation) for subscription by the public in Hong Kong in accordance with the terms and conditions of 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 as mentioned in this Prospectus (including the additional H Shares which may be issued pursuant to the exercise of 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 forth in the Hong Kong Underwriting Agreement (including the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and our Company agreeing upon the Offer Price) being satisfied (or, as the case may be, waived), the Hong Kong Underwriters have agreed severally but not jointly to procure subscribers for, or themselves to subscribe for, their respective applicable portions of the Hong Kong Offer Shares in aggregate, now being offered which are not taken up under the Hong Kong Public Offering on the terms and conditions of this Prospectus and the Hong Kong Underwriting Agreement.

UNDERWRITING

The Hong Kong Underwriting Agreement is conditional on and subject to, 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

The Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) may in its absolute discretion and upon giving notice in writing to our Company, terminate the Hong Kong Underwriting Agreement with immediate effect if at any time prior to 8:00 a.m. on the Listing Date:

- (1) there develops, occurs, exists or comes into force:
 - (a) any new law or regulation or any change or development involving a prospective change or any event or series of events or circumstances likely to result in a change or a development involving a prospective change in existing laws or regulations, or the interpretation or application thereof by any court or any competent Authority in or affecting Hong Kong, the Cayman Islands, the PRC, the United States, the United Kingdom, the European Union (or any member thereof), Japan, Singapore or other jurisdictions relevant to the Group or the Global Offering (each a “**Relevant Jurisdiction**” and collectively, the “**Relevant Jurisdictions**”); or
 - (b) any change or development involving a prospective change, or any event or series of events or circumstances likely to result in a 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 controls or any monetary or trading settlement system, or foreign investment regulations (including, without limitation, a devaluation of the Hong Kong dollar, United States dollar or Renminbi against any foreign currencies, a change in the system under which the value of the Hong Kong dollar is linked to that of the United States dollar or the Renminbi is linked to any foreign currency or currencies) or other financial markets (including, without limitation, conditions and sentiments in stock and bond markets, money and foreign exchange markets, the inter-bank markets and credit markets) in or affecting any Relevant Jurisdictions, or affecting an investment in the Offer Shares; or
 - (c) any event or series of events, or circumstances in the nature of force majeure (including, without limitation, any acts of government, declaration of a regional, national or international emergency or war, calamity, crisis, economic sanctions, strikes, labor disputes, other industrial actions, lock-outs, fire, explosion, flooding, tsunami, earthquake, volcanic eruption, civil commotion, riots, rebellion, public disorder, paralysis in government operations, acts of war, epidemic, pandemic, outbreak or escalation, mutation or aggravation of

UNDERWRITING

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

- (d) 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
- (e) 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
- (f) other than with the prior written consent of the Overall Coordinators, the issue or requirement to issue by the Company of a supplement or amendment to the Prospectus or other documents in connection with the offer and sale of the Offer Shares pursuant to the Companies (Winding up and Miscellaneous Provisions) Ordinance or the Listing Rules or upon any requirement or request of the Stock Exchange and/or the SFC; or
- (g) the commencement by any Authority or other regulatory or political body or organization of any public action or investigation against a Group Company or a director or a senior management member of any Group Company or announcing an intention to take any such action; or
- (h) the imposition of sanctions or export controls in whatever form, directly or indirectly, on any Group Company or by or on any Relevant Jurisdiction, or the withdrawal of trading privileges which existed on the date of this Agreement, in whatever form, directly or indirectly, by, or for, any Relevant Jurisdiction; or
- (i) any valid demand by creditors for payment or repayment of indebtedness of any member of the Group or in respect of which any member of the Group is liable prior to its stated maturity; or
- (j) any non-compliance of the Prospectus, the CSRC Filings or any aspect of the Global Offering with the Listing Rules or any other applicable Laws; or

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- (k) 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 Director or senior management members as named in the Prospectus; or
- (l) any contravention by any Group Company or any Director of the Listing Rules or applicable Laws; or
- (m) any change or prospective change, or a materialization of, any of the risks set out in the section headed “Risk Factors” in the Prospectus,

which, in any such case individually or in the aggregate, in the sole and absolute opinion of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters):

- i. has or will or may have a material adverse effect, whether directly or indirectly, on the assets, liabilities, business, general affairs, management, prospects, shareholders’ equity, profits, losses, results of operations, position or condition, financial or otherwise, or performance of the Company or the Group as a whole;
 - ii. has or will or may have a material adverse effect on the success of the Global Offering or the level of applications under the Hong Kong Public Offering or the level of indications of interest under the International Offering; or
 - iii. makes or will make or may make it impracticable, inadvisable, inexpedient or incapable for any material part of this Agreement, the Hong Kong Public Offering or the Global Offering to be performed or implemented as envisaged, or for the Hong Kong Public Offering and/or the Global Offering to proceed, or to market the Global Offering, or the delivery or distribution of the Offer Shares on the terms and in the manner contemplated by the Offering Documents; or
 - iv. has or will or may have the effect of making any part of this Agreement (including underwriting) incapable of performance in accordance with its terms or preventing the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or
- (2) there has come to the notice of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) that:
- (a) any statement contained in any of the Offering Documents, the CSRC Filings and/or any notices, announcements, advertisements, communications or other documents issued or used by or on behalf of the Company in connection with the Hong Kong Public Offering (including any supplement or amendment

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thereto) (the “**Global Offering Documents**”) was, when it was issued, or has become untrue, incorrect, inaccurate in any material respect or misleading; or that any estimate, forecast, expression of opinion, intention or expectation contained in any such documents, was, when it was issued, or has become unfair or misleading in any respect or based on untrue, dishonest or unreasonable assumptions or given in bad faith; or

- (b) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of the Prospectus, constitute a material omission or misstatement in any Global Offering Document; or
- (c) any breach of, or any event or circumstance rendering untrue or incorrect or misleading in any respect, any of the representations, warranties and undertakings given by the Company in this Agreement or the International Underwriting Agreement; or
- (d) any event, act or omission which gives rise or is likely to give rise to any liability of the Indemnifying Party pursuant to the indemnities in this Agreement; or
- (e) any breach of any of the obligations or undertakings imposed upon the Company or any cornerstone investor (as applicable) to this Agreement, the International Underwriting Agreement or the Cornerstone Investment Agreements; or
- (f) there is any change or development involving a prospective change, constituting or having a Material Adverse Effect; or
- (g) that the Chairman of the Board, any Director or any member of senior management of the Company named in the Prospectus seeks to retire, or is removed from office or vacating his/her office; or
- (h) any Director or any member of senior management of the Company named in the Prospectus is being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management or taking directorship of a company; or
- (i) the Company withdraws the Prospectus (and/or any other documents used in connection with the subscription or sale of any of the Offer Shares pursuant to the Global Offering) or the Global Offering; or
- (j) that the approval by the Listing Committee of the listing of, and permission to deal in, the Offer Shares in issue and to be issued pursuant to the Global Offering (including pursuant to any exercise of the Over-allotment Option) is

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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

- (k) any person (other than any of the Joint Sponsors) has withdrawn its consent to the issue of the Prospectus with the inclusion of its reports, letters and/or legal opinions (as the case may be) and references to its name included in the form and context in which it respectively appears; or
- (l) any prohibition on the Company for whatever reason from offering, allotting, issuing or selling any of the Offer Shares pursuant to the terms of the Global Offering; or
- (m) any person (other than the Joint Sponsors and the Overall Coordinators) has withdrawn or sought to withdraw its consent to being named in any of the Offering Documents or to the issue of any of the Offering Documents; or
- (n) an order or petition is presented for the winding-up or liquidation of any member of the Group, or any member of the Group makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of the Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of the Group or anything analogous thereto occurs in respect of any member of the Group; or
- (o) (A) the notice of acceptance of the CSRC Filings issued by the CSRC and/or the results of the CSRC Filings published on the website of the CSRC is rejected, withdrawn, revoked or invalidated; or (B) other than with the prior written consent of the 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
- (p) (i) a material portion of the orders placed or confirmed in the bookbuilding process or (ii) any investment commitment made by any cornerstone investors under the Cornerstone Investment Agreements signed with such cornerstone investors, has been withdrawn, terminated or cancelled; or the relevant orders and/or investment commitment has not been received or settled in the stipulated time and manner or otherwise.

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Indemnity

Our Company has agreed to indemnify, among others, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Capital Market Intermediaries, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters for certain losses which they may suffer, including, amongst others, losses arising from their performance of their obligations under the Hong Kong Underwriting Agreement and any breach by our Company of the Hong Kong Underwriting Agreement.

Undertakings to the Stock Exchange pursuant to the Listing Rules

Undertakings by our Company

Pursuant to Rule 10.08 of the Listing Rules, we have undertaken to the Stock Exchange that, no further Shares or securities convertible into equity securities of our Company (whether or not of a class already listed) may be issued by us or form the subject of any agreement to such 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 2025 Convertible Bonds, the Global Offering and the Over-allotment Option, if any, or (b) under any of the circumstances provided under Rule 10.08 of the Listing Rules.

Undertakings pursuant to the Hong Kong Underwriting Agreement

Undertakings by our Company

Our Company has undertaken to each of the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Capital Market Intermediaries, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters that except pursuant to the Global Offering (including pursuant to 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**”), we will not, without the prior written consent of the Joint Sponsors and the 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 or any other securities of our Company or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights

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to purchase any share capital or other equity securities of our Company, as applicable), or deposit any share capital or other equity securities of our Company, as applicable, with a depository in connection with the issue of depository 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 our Company, or any interest in any of the foregoing (including, without limitation, any equity 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 paragraph (a) or (b) above; or
- (d) offer to or agree to do any of the foregoing specified in paragraph (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 or such other equity securities, in cash or otherwise (whether or not the issue of such share capital or other equity securities will be completed within the First Six Month Period). Our Company has further agreed that, in the event our Company is allowed to enter into any of the transactions described in paragraph (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**”), we will take all reasonable steps to ensure that such an issue or disposal will not, and no other act of our Company will, create a disorderly or false market for any H Shares or other securities of our Company.

Hong Kong Underwriters’ Interests in our Company

Save for their respective obligations under the Hong Kong Underwriting Agreement, as of the Latest Practicable Date, none of the Hong Kong Underwriters had any shareholding interest in our Company or any right or option (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for any H Shares or securities in our Company or any member of our Group.

Following the completion of the Global Offering, the Hong Kong Underwriters and their affiliated companies may hold a certain portion of the H Shares as a result of fulfilling their respective obligations under the Hong Kong Underwriting Agreement.

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International Offering

International Underwriting Agreement

In connection with the International Offering, it is expected that we will enter into the International Underwriting Agreement on or around the Price Determination Date. Under the International Underwriting Agreement, subject to the conditions set forth therein, the International Underwriters would agree to purchase, or procure subscribers to purchase, the Offer Shares being offered pursuant to the International Offering (subject to, amongst others, any reallocation between the International Offering and the Hong Kong Public Offering). It is expected that the International Underwriting Agreement may be terminated on similar grounds as the Hong Kong Underwriting Agreement. Potential investors are reminded that in the event that the International Underwriting Agreement is not entered into, the Global Offering will not proceed.

Over-allotment Option

Our Company is expected to grant to the International Underwriters, exercisable in whole or in part by the Overall Coordinators at their sole and absolute discretion (for themselves and on behalf of the International Underwriters) at any time from the Listing Date until 30 days after the last day for the lodging of applications under the Hong Kong Public Offering, to require our Company to issue and allot, up to an aggregate of 9,883,500 H Shares, representing no more than 15% of the number of the Offer Shares initially available under the Global Offering, at the Offer Price under the International Offering, to cover over-allocations in the International Offering, if any. See “Structure of the Global Offering — Over-allotment Option.”

Commissions and Expenses

The Capital Market Intermediaries will receive an underwriting commission (the “**Fixed Fees**”) of 0.65% of the aggregate Offer Price of all the Offer Shares (including any Offer Shares to be issued pursuant to the exercise of the Over-allotment Option) (the “**Gross Proceeds**”), out of which they will pay any sub-underwriting commissions and other fees. In addition, the Capital Market Intermediaries may receive a discretionary fee (the “**Discretionary Fees**”) of an aggregate of up to 0.60% of the Gross Proceeds.

Assuming the Discretionary Fees are paid in full, the Fixed Fees and Discretionary Fees payable to the Capital Market Intermediaries represent approximately 33.28% and 66.72% of the aggregate fees payable to the Capital Market Intermediaries in total in connection with the Global Offering.

For any unsubscribed Hong Kong Offer Shares reallocated to the International Offering, we will pay an underwriting commission at the rate applicable to the International Offering and such commission will be paid to the relevant International Underwriters and not the Hong Kong Underwriters.

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The aggregate Fixed Fees, Discretionary Fees (if any), listing fees, Stock Exchange trading fee and transaction levies, legal and other professional fees, and printing and other expenses in relation to the Global Offering are estimated to amount to approximately HK\$138.36 million in total (based on the Offer Price of HK\$106.89 per Offer Share, assuming the Discretionary Fees are fully paid and the Over-allotment Option is not exercised), and are payable by our Company.

ACTIVITIES BY SYNDICATE MEMBERS

The underwriters of the Hong Kong Public Offering and the International Offering (together, the “**Syndicate Members**”) and their affiliates may each individually undertake a variety of activities (as further described below) which do not form part of the underwriting or stabilizing process.

The Syndicate Members and their affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, trading, hedging, investing and other activities for their own account and for the account of others. In the ordinary course of their various business activities, the Syndicate Members and their respective affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers. Such investment and trading activities may involve or relate to assets, securities and/or instruments of our Company and/or persons and entities with relationships with our Company and may also include swaps and other financial instruments entered into for hedging purposes in connection with 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 and unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have as their underlying assets, assets including the H Shares. 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 activity 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.

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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 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 the section headed “Structure of the Global Offering” in this Prospectus. 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 and other services to our Company and its affiliates for which such Syndicate Members or their respective affiliates have received or will receive customary fees and commissions.

In addition, the Syndicate Members or their respective affiliates may provide financing to investors to finance their subscriptions of Offer Shares in the Global Offering.

JOINT SPONSORS’ INDEPENDENCE

The Joint Sponsors satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

STRUCTURE OF 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 Global Offering comprises:

- (1) the Hong Kong Public Offering of initially 6,589,000 Offer Shares (subject to reallocation as mentioned below) for subscription by the public in Hong Kong as described in the paragraph headed “— The Hong Kong Public Offering” below; and
- (2) the International Offering of initially 59,301,000 Offer Shares (subject to reallocation and the Over-allotment Option as mentioned below) outside the United States (including to professional and institutional investors within Hong Kong) in offshore transactions in reliance on Regulation S, and in the United States only to QIBs in reliance on Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements under the U.S. Securities Act, as described in the paragraph headed “— the International Offering” below.

Investors may apply for the Hong Kong Offer Shares under the Hong Kong Public Offering or indicate an interest, if qualified to do so, for the International Offer Shares under the International Offering, but may not do both.

The Offer Shares will represent approximately 5.4350% of the enlarged issued share capital of our Company immediately after completion of the Global Offering without taking into account the exercise of the Over-allotment Option. If the Over-allotment Option is exercised in full, the Offer Shares will represent approximately 6.1998% of the enlarged issued share capital of our Company immediately after completion of the Global Offering and the exercise of the Over-allotment Option as set out in “— The International Offering — Over-allotment Option” below.

References in this Prospectus to applications, application monies or the procedure for application relate solely to the Hong Kong Public Offering.

The number of Offer Shares to be offered under the Hong Kong Public Offering and the International Offering, respectively, may be subject to reallocation as described in “— The Hong Kong Public Offering — Reallocation” below.

THE HONG KONG PUBLIC OFFERING

Number of Hong Kong Offer Shares Initially Offered

We are initially offering 6,589,000 Offer Shares for subscription by the public in Hong Kong at the Offer Price, representing approximately 10% of the total number of the Offer Shares initially available under the Global Offering. Subject to the reallocation of the Offer Shares between the International Offering and the Hong Kong Public Offering, the Hong Kong Offer Shares will represent approximately 0.54% of the enlarged issued share capital of our Company immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised).

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The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to institutional and professional investors. Professional investors generally include brokers, dealers, and companies (including fund managers) whose ordinary business involves dealing in shares and other securities, and corporate entities which regularly invest in shares and other securities.

Completion of the Hong Kong Public Offering is subject to the conditions as set forth in “— Conditions of the Global Offering” below.

Allocation

Allocation of the Offer Shares to applicants under the Hong Kong Public Offering will be based solely on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary, depending on the number of Hong Kong Offer Shares validly applied for by applicants. Such allocation could, where appropriate, consist of balloting, which would mean that some applicants may receive a higher allocation than the others who have applied for the same number of the 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 the Offer Shares initially available under the Hong Kong Public Offering (after taking into account any allocation) is to be divided into two pools (subject to adjustment of odd lot size): Pool A and Pool B. Accordingly, the maximum number of Hong Kong Offer Shares initially in Pool A and Pool B will be 3,294,500 and 3,294,500, respectively. 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\$5,000,000 (excluding the brokerage, SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee payable) or less. The Offer Shares in Pool B will be allocated on an equitable basis to applicants who have applied for Offer Shares with an aggregate price of more than HK\$5,000,000 and up to the value of pool B (excluding the brokerage, SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee payable).

Applicants should be aware that applications in Pool A and applications in Pool B may receive different allocation ratios. If the Hong Kong Offer Shares in one (but not both) of the pools are under-subscribed, the surplus Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly. For the purpose of this subsection only, the “price” for the Hong Kong Offer Shares means the price payable on application therein (without regard to the Offer Price as finally determined). Applicants can only receive an allocation of the Offer Shares from either Pool A or Pool B but not from both pools. Multiple or suspected multiple applications and any application for more than 3,294,500 Hong Kong Offer Shares (being approximately 50% of the 6,589,000 Hong Kong Offer Shares initially available under the Hong Kong Public Offering) are liable to be rejected.

STRUCTURE OF THE GLOBAL OFFERING

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 Overall Coordinators. Subject to the allocation cap described in the subsequent paragraph, the 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 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 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 3,294,500 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 9,883,500 Offer Shares, representing approximately 15% of the number of Offer Shares initially available under the Global Offering (before exercise of the Over-allotment Option) in accordance with Chapter 4.14 of the Guide for New Listing Applicants. In the circumstance where the International Offer Shares are fully subscribed or oversubscribed and the Hong Kong Offer Shares are undersubscribed, there will be no reallocation from the International Offering to the Hong Kong Public Offering, and no over-allocation of H Shares to the Hong Kong Public Offering.

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 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.

Details of any reallocation of Offer Shares between the Hong Kong Public Offering and the International Offering will be disclosed in the results announcement of the Global Offering, which is expected to be published on Friday, February 6, 2026.

STRUCTURE OF THE GLOBAL OFFERING

Applications

Each applicant under the Hong Kong Public Offering will also be required to give an undertaking and confirmation in the application submitted by him/her that he/she and any person(s) for whose benefit he/she is making the application have not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any Offer Shares under the International Offering, and such applicant's application is liable to be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be) or it has been or will be placed or allocated Offer Shares under the International Offering.

Applicants under the Hong Kong Public Offering are required to pay, on application (subject to application channel), the maximum price of HK\$106.89 per Offer Share in addition to the brokerage, SFC transaction levy, Stock Exchange trading fee and AFRC transaction levy payable on each Offer Share. If the Offer Price, as finally determined in the manner described in the paragraph headed “— Pricing and Allocation” below, is less than the maximum price of HK\$106.89 per Offer Share, appropriate refund payments (including the brokerage, SFC transaction levy, Stock Exchange trading fee and AFRC transaction levy attributable to the surplus application monies) will be made to successful applicants, without interest. Further details are set out in the section headed “How to Apply for Hong Kong Offer Shares” in this Prospectus.

THE INTERNATIONAL OFFERING

Number of International Offer Shares Initially Offered

The International Offering will consist of an initial offering of 59,301,000 Offer Shares, representing approximately 90% of the total number of Offer Shares initially available under the Global Offering and approximately 4.89% of the enlarged issued share capital of our Company immediately following the completion of the Global Offering subject to the reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering and assuming that the Over-allotment Option is not exercised. The International Offering will be offered by us outside of the United States in reliance on Regulation S and in the United States only to QIBs as defined in Rule 144A pursuant to an exemption from registration under the U.S. Securities Act.

Allocation

The International Offering will include selective marketing of Offer Shares to institutional and professional investors and other investors anticipated to have a sizeable demand for such Offer Shares. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities. Allocation of Offer Shares pursuant to the International Offering will be effected in accordance with the “book-building” process described in the paragraph headed “— Pricing and Allocation” below and based on a number of factors, including the level and timing of demand,

STRUCTURE OF THE GLOBAL OFFERING

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 Offer Shares, and/or hold or sell its Offer Shares, after the listing of the Offer Shares on the Stock Exchange. Such allocation is intended to result in a distribution of the Offer Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of our Company and the Shareholders as a whole.

The 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 Overall Coordinators so as to allow it to identify the relevant applications under the Hong Kong Public Offering and to ensure that they are excluded from any application of Offer Shares under the International Offer.

Reallocation

The total number of the Offer Shares to be issued or sold pursuant to the International Offering may change as a result of the reallocation arrangement described in “— The Hong Kong Public Offering — Reallocation” above, the exercise of 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 to the International Offering.

Over-allotment Option

In connection with the Global Offering, our Company is expected to grant to the International Underwriters, exercisable in whole or in part by the Overall Coordinators at their sole and absolute discretion (for themselves and on behalf of the International Underwriters) at any time from the Listing Date until 30 days after the last day for the lodging of applications under the Hong Kong Public Offering, to require our Company to allot and issue, up to an aggregate of 9,883,500 Offer Shares, representing no more than 15% of the Offer Shares available under the Global Offering, at the Offer Price, to cover over-allocations in the International Offering, if any. If the Over-allotment Option is exercised in full, the additional Offer Shares to be issued pursuant to the Over-allotment Option will represent approximately 0.81% of the total number of Shares in issue immediately following the completion of the Global Offering and the exercise of the Over-allotment Option. If the Over-allotment Option is exercised, an announcement will be made.

STRUCTURE OF THE GLOBAL OFFERING

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 newly issued securities in the secondary market, during a specified period of time, to retard and, if possible, prevent any decline in the 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, its affiliates 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, to the extent permitted by applicable laws of Hong Kong or elsewhere. However, there is no obligation on the Stabilizing Manager, its affiliates or any persons acting for it, to conduct any such stabilizing action. Such stabilization 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 our Company, (b) may be discontinued at any time and (c) is required to be brought to an end within 30 days of the last day for lodging applications under the Hong Kong Public Offering.

Stabilizing action permitted in Hong Kong pursuant to the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong), as amended, includes (i) over-allocation for the purpose of preventing or minimizing any reduction in the market price of the H Shares, (ii) 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, (iii) purchasing or subscribing for, or agreeing to purchase or subscribe for, the H Shares pursuant to the Over-allotment Option in order to close out any position established under (i) or (ii) above, (iv) 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, (v) selling or agreeing to sell any H Shares in order to liquidate any position established as a result of those purchases and (vi) offering or attempting to do anything as described in paragraph (ii), (iii), (iv) or (v) above.

Specifically, prospective applicants for and investors in the Offer Shares should note that:

- the Stabilizing Manager, its affiliates 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 regarding the extent to which and the time or period for which the Stabilizing Manager, its affiliates or any person acting for it, will maintain such a long position;

STRUCTURE OF THE GLOBAL OFFERING

- liquidation of any such long position by the Stabilizing Manager, its affiliates or any person acting for it 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 stabilizing period which will begin on the Listing Date, and is expected to expire on Friday, March 6, 2026, being the 30th day after the date of closing of the application lists 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 may be made or transactions effected in the course of the stabilizing action at any price at or below the Offer Price, which means that stabilizing bids may be made or transactions effected at a price below the price paid by applicants for, or investors in, the H Shares.

Our Company will ensure or procure that an announcement in compliance with the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong) 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 Overall Coordinators, its affiliates or any person acting for them may cover such over-allocation by using H Shares purchased by the Stabilizing Manager, its affiliates or any person acting for it in the secondary market, exercising the Over-allotment Option in full or in part, or by a combination of these means. Any such purchases will be made in accordance with the laws, rules and regulations in place in Hong Kong on stabilization. The number of H Shares which can be over-allocated will not exceed the number of the H Shares which may be allotted and/or issued pursuant to the exercise in full of the Over-allotment Option, being 9,883,500 H Shares, representing approximately 15% of the Offer Shares initially available under the Global Offering.

PRICING OF THE GLOBAL OFFERING

The Offer Price is expected to be fixed by agreement between the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company on the Price Determination Date, when market demand for the Offer Shares will be determined. The Price Determination Date is expected to be on or before Thursday, February 5, 2026 and in no event later than 12:00 noon on Thursday, February 5, 2026.

STRUCTURE OF THE GLOBAL OFFERING

We will determine the Offer Price by reference to, among other factors, the closing prices of the A Shares on the Shanghai 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://star.sse.com.cn/star/market/stocklist/info/index/index.shtml?COMPANY_CODE=688008), and the Offer Price will not be more than HK\$106.89. The historical prices of our A Shares and trading volume on Shanghai Stock Exchange are set out below.

Period	High	Low	ADTV ⁽¹⁾
	(RMB)	(RMB)	(A shares)
Year ended December 31, 2023	76.46	47.40	13,788,590
Year ended December 31, 2024	80.26	43.15	24,006,528
Year ended December 31, 2025	157.08	62.91	31,831,779
Year of 2026 (up to the Latest Practicable Date)	143.00	127.75	50,166,982

Note:

- (1) Average daily trading volume (“ADTV”) represents daily average number of our A Shares traded over the relevant period rounded to the nearest share.

Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channels), the maximum Offer Price of HK\$106.89 for each Hong Kong Offer Share together with brokerage of 1%, a Stock Exchange trading fee of 0.00565%, a SFC transaction levy of 0.0027% and an AFRC transaction levy of 0.00015%.

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 H 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.

If, based on the level of interest expressed by prospective institutional, professional and other investors during the book-building process, the Overall Coordinators (for themselves and on behalf of the Underwriters) and the Joint Sponsors consider it appropriate, with our consent the number of Offer Shares being offered under the Global Offering and/or the maximum Offer Price stated in this prospectus may be reduced at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, we will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of Wednesday, February 4, 2026, being the last day for lodging applications under the Hong Kong Public Offering, cause to be published on the Stock Exchange’s website at www.hkexnews.hk, and on our Company’s website at www.montage-tech.com notice of such reduction in the number of Offer Shares being offered under the Global Offering and/or the maximum Offer Price. Such notice will also include confirmation or revision, as

STRUCTURE OF THE GLOBAL OFFERING

appropriate, of the working capital statement and the offering statistics as currently set out in this prospectus and any other financial information which may change as a result of such reduction. Upon issue of such notice, the number of Offer Shares in the Global Offering and/or the revised maximum Offer Price will be final and conclusive and the Offer Price, if agreed upon between the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company, will be fixed within such revised maximum Offer Price.

As soon as practicable after such reduction of the number of Offer Shares and/or the indicative maximum Offer Price, we will also issue a supplemental or new prospectus updating investors of the reduction in the number of Offer Shares and/or the maximum Offer Price, and giving investors at least three business days to consider the new information. The supplemental or new prospectus shall include at least the following: (a) maximum Offer Price and market capitalization; (b) listing timetable and underwriting obligations; (c) price/earnings multiple (if applicable), unaudited pro forma and adjusted net tangible assets; and (d) use of proceeds and working capital adequacy confirmation based on revised estimated proceeds. The Global Offering must first be canceled and subsequently relaunched on FINI pursuant to the supplemental prospectus.

In the absence of any such notice and supplemental prospectus so published, the number of Offer Shares will not be reduced and/or the Offer Price, if agreed upon between our Company and the Overall Coordinators (for themselves and on behalf of the Underwriters), will under no circumstances be set above the maximum Offer Price as stated in this 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 being offered under the Global Offering and/or the maximum Offer Price may not be made until the day which is the last day for lodging applications under the Hong Kong Public Offering.

The Hong Kong Offer Shares and the International Offer Shares may, in certain circumstances, be reallocated as between the Hong Kong Public Offering and International Offering at the discretion of the Overall Coordinators and the Joint Sponsors.

The final Offer Price, the level of applications in the Hong Kong Public Offering, the level of indications of interest in the International Offering, the basis of allocations of the Hong Kong Offer Shares and the results of applications in the Hong Kong Public Offering are expected to be announced on Friday, February 6, 2026 through a variety of channels described in the paragraph headed “How to Apply for Hong Kong Offer Shares — B. Publication of Results” in this prospectus.

STRUCTURE OF THE GLOBAL OFFERING

UNDERWRITING

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms of the Hong Kong Underwriting Agreement and is conditional upon the International Underwriting Agreement being signed and becoming unconditional.

We expect that we will enter into the International Underwriting Agreement relating to the International Offering on the Price Determination Date.

The underwriting arrangements under the Hong Kong Underwriting Agreement and the International Underwriting Agreement are summarized in the section headed “Underwriting” in this Prospectus.

CONDITIONS OF THE GLOBAL OFFERING

Acceptances of all applications for Offer Shares will be conditional on:

- (1) the Listing Committee granting the approval for the listing of, and permission to deal in, the H Shares in issue and to be issued pursuant to the Global Offering (including the Offer Shares which may be issued pursuant to the exercise of the Over-allotment Option) and such approval not subsequently having been withdrawn or revoked prior to the Listing Date;
- (2) the Offer Price having been duly determined between our Company and the Overall Coordinators (for themselves and on behalf of the Underwriters);
- (3) the execution and delivery of the International Underwriting Agreement on or about the Price Determination Date; and
- (4) the obligations of the Underwriters under each of the respective Underwriting Agreements becoming and remaining unconditional and not having been terminated in accordance with the terms of the respective Underwriting 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).

If, for any reason, the Offer Price is not agreed between our Company and the Overall Coordinators (for themselves and on behalf of the Underwriters) by 12:00 noon on Thursday, February 5, 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.

STRUCTURE OF THE GLOBAL OFFERING

If the above conditions are not fulfilled or waived prior to the times and dates specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. We will as soon as possible publish or cause to be published a notice of the lapse of the Hong Kong Public Offering on the website of our Company (www.montage-tech.com) and the website of the Stock Exchange (www.hkexnews.hk). In such eventuality, all application monies will be returned, without interest, on the terms set forth in the section headed “How to Apply for Hong Kong Offer Shares — D. Dispatch/Collection of H Share Certificates and Refund of Application Monies” in this Prospectus. 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), as amended.

H Share certificates issued in respect of the Hong Kong Offer Shares 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 (including the Underwriting Agreements not having been terminated in accordance with their terms) at any time prior to 8:00 a.m. on the Listing Date.

DEALING IN THE H SHARES

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Monday, February 9, 2026, it is expected that dealings in the H Shares on the Stock Exchange will commence at 9:00 a.m. on Monday, February 9, 2026.

The H Shares will be traded on the Main Board of the Stock Exchange in board lots of 100 H Shares each. The stock code of the H Shares will be 6809.

HOW TO APPLY FOR HONG KONG OFFER SHARES

IMPORTANT NOTICE TO INVESTORS OF HONG KONG OFFER SHARES

FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering and below are the procedures for application.

This Prospectus is available at the website of the Stock Exchange at www.hkexnews.hk under the “HKEXnews > New Listings > New Listing Information” section, and our website at www.montage-tech.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; and
- have a Hong Kong address (for the **White Form eIPO** service only).

Unless permitted by the Listing Rules or a waiver and/or consent has been granted by the Stock Exchange to us, 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 beneficial owner of any Shares in the Company and/or any of its subsidiaries;
- are a Director or chief executive officer of the Company and/or any of its subsidiaries;
- are a close associate (as defined in the Listing Rules) of any of the above;
- a connected person (as defined in the Listing Rules) of the Company or will become a connected person of the Company immediately upon completion of the Global Offering; or
- have been allocated or have applied for any International Offer Shares or otherwise participate in the International Offering.

HOW TO APPLY FOR HONG KONG OFFER SHARES

2. Application Channels

The Hong Kong Public Offering period will begin at 9:00 am on Friday, January 30, 2026 and end at 12:00 noon on Wednesday, February 4, 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
White Form eIPO Service . . .	<u>www.eipo.com.hk</u>	Applicants 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 Friday, January 30, 2026, to 11:30 a.m. on Wednesday, February 4, 2026, Hong Kong time. The latest time for completing full payment of application monies will be 12:00 noon on Wednesday, February 4, 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.	Applicants 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.

HOW TO APPLY FOR HONG KONG OFFER SHARES

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 **White Form eIPO** service, once you complete payment in respect of any application instructions given by you or for your benefit through 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 **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 **White Form eIPO** service, you are deemed to have authorized 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 **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.

HOW TO APPLY FOR HONG KONG OFFER SHARES

3. Information Required to Apply

You must provide the following information with your application:

For Individual/Joint Applicants	For Corporate Applicants
• Full name(s)² as shown on your identity document • Identity document's issuing country or jurisdiction • Identity document type, with order of priority: i. Hong Kong identity card ("HKID"); or ii. National identification document; or iii. Passport; and • Identity document number	• Full name(s)² as shown on your identity document • Identity document's issuing country or jurisdiction • Identity document type, with order of priority: i. Legal entity identifier ("LEI") registration document; or ii. Certificate of incorporation; or iii. Business registration certificate; or iv. Other equivalent document; and • Identity document number

Notes:

1. If you are applying through the **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, a LEI number must be used if an entity has a LEI certificate.
3. If the applicant is a trustee, the client identification data ("CID") of the trustee, as set out above, will be required. If the applicant is an investment fund (i.e. a collective investment scheme, or CIS), the CID of the asset management company or the individual fund, as appropriate, which has opened a trading account with the broker will be required, as above.
4. The maximum number of joint applicants on FINI is capped at 4 in accordance with market practice.

HOW TO APPLY FOR HONG KONG OFFER SHARES

5. If you are applying as a nominee, you must provide: (i) the full name (as shown on the identity document), the identity document's issuing country or jurisdiction, the identity document type; and (ii) the identity document number, for each of the beneficial owners or, in the case(s) of joint beneficial owners, for each joint beneficial owner. If you do not include this information, the application will be treated as being made for your benefit.
6. If you are applying as an unlisted company and (i) the principal business of that company is dealing in securities; and (ii) you exercise statutory control over that company, then the application will be treated as being for your benefit and you should provide the required information in your application as stated above.

"Unlisted company" means a company with no equity securities listed on the Stock Exchange or any other stock exchange.

"Statutory control" means you:

- control the composition of the board of directors of the company;
- control more than half of the voting power of the company; or
- hold more than half of the issued share capital of the company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

For those applying through **HKSCC EIPO** channel, and making an application under a power of attorney, we and the Overall Coordinators, as our agent, have discretion to consider whether to accept it on any conditions we think fit, including evidence of the attorney's authority.

Failing to provide any required information may result in your application being rejected.

4. Permitted Number of Hong Kong Offer Shares for Application

Board lot size : 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\$106.89 per Offer Share.

If you are applying through the **HKSCC EIPO** channel, your broker or custodian may require you to prefund 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.

HOW TO APPLY FOR HONG KONG OFFER SHARES

By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the HKSCC EIPO channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to arrange payment of the final Offer Price, brokerage, SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy by debiting the relevant nominee bank account at the Designated bank for your broker or custodian. If you are applying through the White Form eIPO service, you may refer to the table below for the amount payable for the number of Offer Shares you have selected. You must pay the respective maximum amount payable on application in full upon application for Hong Kong Offer Shares.

Montage Technology Co., Ltd.
(HK\$106.89 per Hong Kong Offer Share)
NUMBER OF HONG KONG OFFER SHARES THAT MAY
BE APPLIED FOR AND PAYMENTS

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	10,796.80	2,500	269,919.97	30,000	3,239,039.57	600,000	64,780,791.39
200	21,593.60	3,000	323,903.96	40,000	4,318,719.42	700,000	75,577,589.95
300	32,390.40	3,500	377,887.95	50,000	5,398,399.28	800,000	86,374,388.52
400	43,187.19	4,000	431,871.94	60,000	6,478,079.14	900,000	97,171,187.09
500	53,983.99	4,500	485,855.94	70,000	7,557,758.99	1,000,000	107,967,985.66
600	64,780.79	5,000	539,839.93	80,000	8,637,438.85	1,500,000	161,951,978.48
700	75,577.59	6,000	647,807.92	90,000	9,717,118.71	2,000,000	215,935,971.30
800	86,374.39	7,000	755,775.89	100,000	10,796,798.56	2,500,000	269,919,964.13
900	97,171.19	8,000	863,743.88	200,000	21,593,597.14	3,294,500 ⁽¹⁾	355,700,528.72
1,000	107,967.99	9,000	971,711.86	300,000	32,390,395.70		
1,500	161,951.98	10,000	1,079,679.85	400,000	43,187,194.25		
2,000	215,935.97	20,000	2,159,359.72	500,000	53,983,992.83		

HOW TO APPLY FOR HONG KONG OFFER SHARES

- (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).

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.

6. Terms and Conditions of An Application

By applying for Hong Kong Offer Shares through the **White Form eIPO** service or **HKSCC EIPO** channel, you (or as the case may be, HKSCC Nominees will do the following things on your behalf):

- (i) undertake to execute all relevant documents and instruct and authorize us and/or the Overall Coordinators, as our agent, 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 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;

HOW TO APPLY FOR HONG KONG OFFER SHARES

- (iii) (if you are applying through the HKSCC EIPO channel) agree to the arrangements, undertakings and warranties under the participant agreement between your broker or custodian and HKSCC and observe the General Rules of HKSCC and the HKSCC Operational Procedures for giving application instructions to apply for Hong Kong Offer Shares;
- (iv) confirm that you are aware of the restrictions on offers and sales of shares set out in this Prospectus and they do not apply to you, or the person(s) for whose benefit you have made the application;
- (v) confirm that you have read this Prospectus and any supplement to it and have relied only on the information and representations contained therein in making your application (or as the case may be, causing your application to be made) and will not rely on any other information or representations;
- (vi) agree that the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Capital Market Intermediaries, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, their 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 us, 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 paragraph 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;

HOW TO APPLY FOR HONG KONG OFFER SHARES

- (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 we nor the Relevant Persons will breach any law inside and/or outside Hong Kong as a result of the acceptance of your offer to purchase, or any action arising from your rights and obligations under the terms and conditions contained in this Prospectus;
- (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, chief executives, substantial Shareholder(s) or existing shareholder(s) of the Company or any of its subsidiaries or any of their respective close associates; and (b) you are not accustomed or will not be accustomed to taking instructions from the Company, any of the directors, chief executives, substantial shareholder(s) or existing shareholder(s) of the Company or any of its subsidiaries or any of their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in your name or otherwise held by you;
- (xiv) warrant that the information you have provided is true and accurate;
- (xv) confirm that you understand that we and the 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 application channel of the H Share Registrar 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.

HOW TO APPLY FOR HONG KONG OFFER SHARES

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 White Form eIPO service or HKSCC EIPO channel:	
Website The designated results of allocation at <u>www.iporeresults.com.hk</u> (alternatively: <u>www.eipo.com.hk/eIPOAllotment</u>) with a “search by ID” function.	24 hours, from 11:00 p.m. on Friday, February 6, 2026 to 12:00 midnight on Thursday, February 12, 2026 (Hong Kong time)
The full list of (i) wholly or partially successful applicants using 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 <u>www.iporeresults.com.hk</u> (alternatively: <u>www.eipo.com.hk/eIPOAllotment</u>).	No later than 11:00 p.m. on Friday, February 6, 2026 (Hong Kong time)
The Stock Exchange’s website at <u>www.hkexnews.hk</u> and our website at <u>www.montage-tech.com</u> which will provide links to the above mentioned websites of the H Share Registrar.	
Telephone. . . + 852 2862 8555 — the allocation results telephone enquiry line provided by the H Share Registrar	between 9:00 a.m. and 6:00 p.m., on Monday, February 9, 2026, Tuesday, February 10, 2026, Wednesday, February 11, 2026 and Thursday, February 12, 2026 (Hong Kong time)

For those applying through **HKSCC EIPO** channel, you may also check with your broker or custodian from 6:00 p.m. on Thursday, February 5, 2026 (Hong Kong time).

HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Thursday, February 5, 2026 (Hong Kong time) on a 24-hour basis and should report any discrepancies on allotments to HKSCC as soon as practicable.

HOW TO APPLY FOR HONG KONG OFFER SHARES

Allocation Announcement

We expect to announce the results of the final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocations of Hong Kong Offer Shares on the Stock Exchange's website at www.hkexnews.hk and our website at www.montage-tech.com by no later than 11:00 p.m. on Friday, February 6, 2026 (Hong Kong time).

C. CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOCATED HONG KONG OFFER SHARES

You should note the following situations in which Hong Kong Offer Shares will not be allocated to you or the person(s) for whose benefit you are applying for:

1. If your application is revoked:

Your application or the application made by HKSCC Nominees on your behalf may be revoked pursuant to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

2. If we or our agents exercise our discretion to reject your application:

We, the 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 us of that longer period within three weeks of the closing date of the application lists.

4. If:

- you make multiple applications or suspected multiple applications. You may refer to the paragraph headed “— A. Applications for Hong Kong Offer Shares — 5. Multiple Applications Prohibited” in this section on what constitutes multiple applications;

HOW TO APPLY FOR HONG KONG OFFER SHARES

- you or the person for whose benefit you are applying have applied for or taken up, or indicated an interest for, or have been or will be placed or allocated (including conditionally and/or provisionally) Hong Kong Offer Shares and International Offer Shares;
- your **electronic application instructions** through the **White Form eIPO** service are not completed in accordance with the instructions, terms and conditions on the designated website at www.eipo.com.hk;
- your application instruction is incomplete;
- your payment (or confirmation of funds, as the case may be) is not made correctly;
- the Underwriting Agreements do not become unconditional or are terminated;
- we or the Overall Coordinators believe that by accepting your application, it or we would violate applicable securities or other laws, rules or regulations; or
- your application is for more than 50% of the Hong Kong Offer Shares initially offered under the Hong Kong Public Offering.

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 Bank 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 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 Offer Shares. Hong Kong Offer Shares applied for by you through the broker or custodian may be affected to the extent of the settlement failure. In the extreme case, you will not be allocated any Hong Kong Offer Shares due to the money settlement failure by such HKSCC Participant. None of us, the Relevant Persons, the 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.

HOW TO APPLY FOR HONG KONG OFFER SHARES

D. DISPATCH/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 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 Monday, February 9, 2026 (Hong Kong time), provided that the Global Offering has become unconditional and the right of termination described in the section headed “Underwriting” has not been exercised. Investors who trade Shares prior to the receipt of H Share certificates or the H Share certificates becoming valid 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:

	<u>White Form eIPO service</u>	<u>HKSCC EIPO channel</u>
Dispatch/collection of H Share certificate¹		
For physical share certificates of equal or over 1,000,000 Hong Kong Offer Shares issued under your own name.	Collection in person from the 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. Time: from 9:00 a.m. to 1:00 p.m. on Monday, February 9, 2026 (Hong Kong time) 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.	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. No action by you is required.

HOW TO APPLY FOR HONG KONG OFFER SHARES

White Form eIPO service

HKSCC EIPO channel

Both individuals and authorized representatives must produce, at the time of collection, evidence of identity acceptable to the H Share Registrar.

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: Friday, February 6, 2026

Refund mechanism for surplus application monies paid by you

Date Monday, February 9, 2026

Subject to the arrangement between you and your broker or custodian

Responsible party . . . H Share Registrar

Your broker or custodian

Application monies paid through single 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 cheque(s) will be dispatched to the address as specified in your application instructions by ordinary post at your own risk

HOW TO APPLY FOR HONG KONG OFFER SHARES

1. Except in the event of a Severe Weather Signals (as defined below) in force in Hong Kong in the morning on Friday, February 6, 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 Wednesday, February 4, 2026 if, there is/are:

- a tropical cyclone warning signal number 8 or above;
- a black rainstorm warning; and/or
- Extreme Conditions,

(collectively, “**Severe Weather Signals**”),

in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Wednesday, February 4, 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 our website at www.montage-tech.com of the revised timetable.

If a Severe Weather Signal is hoisted on Friday, February 6, 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 Monday, February 9, 2026.

If a Severe Weather Signal is hoisted on Monday, February 9, 2026:

- for physical share certificates of 1,000,000 or more Offer Shares issued under your own name, you may collect your share certificates from the H Share Registrar’s office after the Severe Weather Signal is lowered or canceled (e.g. in the afternoon of Monday, February 9, 2026 or on Tuesday, February 10, 2026.

HOW TO APPLY FOR HONG KONG OFFER SHARES

If a Severe Weather Signal is hoisted on Friday, February 6, 2026:

- for physical share certificates of less than 1,000,000 Offer Shares issued under your own name, dispatch will be made by ordinary post when the post office re-opens after the Severe Weather Signal is lowered or canceled (e.g. in the afternoon of Friday, February 6, 2026 or on Monday, February 9, 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 we comply 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 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 adviser 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 agree to all of the terms of the Personal Information Collection Statement below.

1. Personal Information Collection Statement

This Personal Information Collection Statement informs the applicant for, and holder of, Hong Kong Offer Shares, of the policies and practices of the Company and the H Share Registrar in relation to personal data and the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

HOW TO APPLY FOR HONG KONG OFFER SHARES

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.

3. Purposes

Your personal data may be used, held, processed, and/or stored (by whatever means) for the following purposes:

- processing your application and refund cheque and **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 Offer 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 Offer Shares and identifying any duplicate applications for the Offer Shares;
- facilitating Hong Kong Offer Shares balloting;
- establishing benefit entitlements of holders of the Offer 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 Offer 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 Offer Shares and/or regulators and/or any other purposes to which applicants and holders of the Offer Shares may from time to time agree.

HOW TO APPLY FOR HONG KONG OFFER SHARES

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 and receiving banks;
- 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 operation;
- the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, including for the purpose of the Stock Exchange's administration of the Listing Rules and the SFC's performance of its statutory functions; and
- any persons or institutions with which the holders of Hong Kong Offer Shares have or propose to have dealings, such as their bankers, solicitors, accountants or brokers etc.

5. Retention of personal data

The Company and the 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 were collected. Personal data which is no longer required will be destroyed or dealt with in accordance with the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

6. Access to and correction of personal data

Applicants for and holders of Hong Kong Offer Shares have the right to ascertain whether the Company or the H Share Registrar hold their personal data, to obtain a copy of that data, and to correct any data that is inaccurate. The Company and the 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 on Montage Technology Co., Ltd., prepared for the purpose of incorporation in this prospectus received from the independent reporting accountants of the Company, Ernst & Young, Certified Public Accountants, Hong Kong.



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ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF MONTAGE TECHNOLOGY CO., LTD., CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED, MORGAN STANLEY ASIA LIMITED AND UBS SECURITIES HONG KONG LIMITED

Introduction

We report on the historical financial information of Montage Technology Co., Ltd. (the “Company”) and its subsidiaries (together, the “Group”) set out on pages I-4 to I-85, which comprises the consolidated statements of profit or loss, the consolidated statements of comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows of the Group for each of the years ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2025 (the “Relevant Periods”), and the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2022, 2023 and 2024 and 30 September 2025, 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-85 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated 30 January 2026 (the “Prospectus”) in connection with the initial listing of the 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 the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information and for such internal control as the directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 *Accountants' Reports on Historical Financial Information in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the financial position of the Group and the Company as at 31 December 2022, 2023 and 2024 and 30 September 2025, and of the financial performance and cash flows of the Group for each of the Relevant Periods in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

Review of interim comparative financial information

We have reviewed the interim financial information of the Group which comprises the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the nine months ended 30 September 2024, and other explanatory information (the "Interim Financial Information"). The directors of the Company are responsible for the preparation and presentation of the Interim Financial Information in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Interim Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim*

Financial Information Performed by the Independent Auditor of the Entity issued by the HKICPA. A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Interim Financial Information, for the purpose of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange 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 11 to the Historical Financial Information which contains information about the dividends paid by the Company in respect of the Relevant Periods.

Ernst & Young

Certified Public Accountants

Hong Kong

30 January 2026

I. HISTORICAL FINANCIAL INFORMATION**Preparation of Historical Financial Information**

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The Historical Financial Information of the Group for the Relevant Periods, on which the Historical Financial Information is based, were audited by Ernst & Young in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "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

	Notes	Year ended 31 December			Nine months ended 30 September	
		2022	2023	2024	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
					(Unaudited)	
REVENUE	5	3,672,258	2,285,738	3,638,911	2,570,870	4,057,688
Cost of sales.	6	(1,966,747)	(939,216)	(1,523,615)	(1,076,805)	(1,563,886)
Gross profit		1,705,511	1,346,522	2,115,296	1,494,065	2,493,802
Other income and gains	5	507,626	361,646	389,027	316,688	427,911
Research and development expenses . .	6	(563,487)	(681,812)	(763,470)	(552,282)	(533,161)
Administrative expenses		(208,377)	(178,905)	(202,868)	(126,454)	(596,614)
Selling and distribution expenses . . .		(86,147)	(89,961)	(96,007)	(69,265)	(81,870)
Other expenses	5	(26,701)	(193,710)	(44,724)	(2,612)	(17,614)
Finance costs	7	(1,032)	(742)	(1,513)	(1,022)	(1,346)
Reversal of impairment losses/ (impairment losses) on trade receivables, net.	6	(711)	144	(465)	168	(759)
Fair value changes of financial assets at fair value through profit or loss . .	6	90,746	(87,328)	23,889	(9,673)	16,247
Share of losses of associates	17	(3,562)	(3,635)	(6,548)	(7,910)	(13,611)
PROFIT BEFORE TAX	6	1,413,866	472,219	1,412,617	1,041,703	1,692,985
Income tax expense	10	(114,494)	(21,071)	(71,882)	(65,324)	(116,620)
PROFIT FOR THE YEAR/PERIOD .		<u>1,299,372</u>	<u>451,148</u>	<u>1,340,735</u>	<u>976,379</u>	<u>1,576,365</u>
Attributable to:						
Owners of the parent		1,299,378	450,910	1,411,778	978,077	1,632,284
Non-controlling interests		(6)	238	(71,043)	(1,698)	(55,919)
		<u>1,299,372</u>	<u>451,148</u>	<u>1,340,735</u>	<u>976,379</u>	<u>1,576,365</u>
EARNINGS PER SHARE						
ATTRIBUTABLE TO ORDINARY						
EQUITY HOLDERS OF THE						
PARENT						
Basic (RMB)	12	<u>1.15</u>	<u>0.40</u>	<u>1.25</u>	<u>0.87</u>	<u>1.44</u>
Diluted (RMB)	12	<u>1.15</u>	<u>0.40</u>	<u>1.25</u>	<u>0.87</u>	<u>1.43</u>

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
PROFIT FOR THE					
YEAR/PERIOD	<u>1,299,372</u>	<u>451,148</u>	<u>1,340,735</u>	<u>976,379</u>	<u>1,576,365</u>
OTHER COMPREHENSIVE					
INCOME/(LOSS)					
Other comprehensive					
income/(loss) that may be					
reclassified to profit or loss in					
subsequent periods:					
Exchange differences on translation					
of foreign operations	<u>324,702</u>	<u>64,919</u>	<u>63,478</u>	<u>(49,702)</u>	<u>(57,661)</u>
Other comprehensive income/(loss)					
that may be reclassified to profit					
or loss in subsequent periods . . .	<u>324,702</u>	<u>64,919</u>	<u>63,478</u>	<u>(49,702)</u>	<u>(57,661)</u>
Other comprehensive					
income/(loss) that will not be					
reclassified to profit or loss in					
subsequent periods:					
Changes in fair value of equity					
investments designated at fair					
value through other					
comprehensive income	<u>17,815</u>	<u>(3,061)</u>	<u>2,863</u>	<u>4,346</u>	<u>93</u>
Other comprehensive income/(loss)					
that will not be reclassified to					
profit or loss in subsequent					
periods	<u>17,815</u>	<u>(3,061)</u>	<u>2,863</u>	<u>4,346</u>	<u>93</u>
OTHER COMPREHENSIVE					
INCOME/(LOSS) FOR THE					
YEAR/PERIOD, NET OF TAX.	<u>342,517</u>	<u>61,858</u>	<u>66,341</u>	<u>(45,356)</u>	<u>(57,568)</u>
TOTAL COMPREHENSIVE					
INCOME FOR THE					
YEAR/PERIOD	<u>1,641,889</u>	<u>513,006</u>	<u>1,407,076</u>	<u>931,023</u>	<u>1,518,797</u>
Attributable to:					
Owners of the parent	<u>1,641,895</u>	<u>512,768</u>	<u>1,478,119</u>	<u>932,721</u>	<u>1,574,716</u>
Non-controlling interests	<u>(6)</u>	<u>238</u>	<u>(71,043)</u>	<u>(1,698)</u>	<u>(55,919)</u>
	<u>1,641,889</u>	<u>513,006</u>	<u>1,407,076</u>	<u>931,023</u>	<u>1,518,797</u>

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		31 December			30 September
	Notes	2022	2023	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000
NON-CURRENT ASSETS					
Property, plant and equipment	13	633,551	946,160	1,266,788	1,474,668
Investment properties	14	542,874	530,471	519,028	379,704
Right-of-use assets	15(a)	92,714	86,688	119,844	111,598
Other intangible assets	16	52,894	60,897	58,765	45,902
Investments in associates	17	64,349	70,714	109,225	95,614
Equity investments designated at fair value through other comprehensive income	18	27,077	22,636	22,271	27,440
Financial assets at fair value through profit or loss	19	514,314	582,868	575,244	561,703
Deferred tax assets	22	92,404	90,578	83,097	90,532
Other non-current assets	20	29,389	10,401	3,345	3,313
Total non-current assets		2,049,566	2,401,413	2,757,607	2,790,474
CURRENT ASSETS					
Inventories	23	738,433	482,386	352,196	795,747
Trade receivables	24	322,379	294,254	387,791	568,204
Prepayments, other receivables and other assets	25	114,317	142,136	195,944	236,476
Financial assets at fair value through profit or loss	19	1,610,090	1,703,267	1,783,495	545,849
Pledged deposits	26	17,510	8,204	42,945	42,945
Cash and cash equivalents	26	5,833,750	5,665,880	6,698,932	8,771,934
Total current assets		8,636,479	8,296,127	9,461,303	10,961,155
CURRENT LIABILITIES					
Trade payables	27	197,166	131,115	211,154	304,965
Other payables and accruals	28	291,172	226,949	374,667	504,338
Contract liabilities	29	22,731	1,615	22,088	26,925
Tax payables		116,465	18,207	56,012	109,442
Lease liabilities	15(b)	11,894	13,285	15,957	15,680
Total current liabilities		639,428	391,171	679,878	961,350
NET CURRENT ASSETS		7,997,051	7,904,956	8,781,425	9,999,805
TOTAL ASSETS LESS					
CURRENT LIABILITIES		10,046,617	10,306,369	11,539,032	12,790,279

		31 December			30 September
	Notes	2022	2023	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000
NON-CURRENT LIABILITIES					
Deferred tax liabilities	22	22,823	5,166	2,113	9,513
Deferred income	30	87,720	92,378	92,023	94,331
Lease liabilities	15(b)	8,819	2,205	28,799	22,522
Other payables and accruals . . .	28	—	—	19,593	406,823
Total non-current liabilities . .		119,362	99,749	142,528	533,189
NET ASSETS		9,927,255	10,206,620	11,396,504	12,257,090
EQUITY					
Equity attributable to owners of the parent					
Share capital	31	1,134,068	1,138,740	1,144,789	1,145,151
Treasury shares	31	(300,083)	(300,031)	(427,558)	(628,081)
Reserves	32	9,078,201	9,352,698	10,686,206	11,742,572
Total equity attributable to owners of the parent		9,912,186	10,191,407	11,403,437	12,259,642
Non-controlling interests		15,069	15,213	(6,933)	(2,552)
TOTAL EQUITY		9,927,255	10,206,620	11,396,504	12,257,090

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the parent									
	Share capital		Treasury shares		Capital reserve*		Share-based payment reserve*		Fair value reserve of equity investments designated at fair value through other comprehensive income*	
	RMB '000		RMB '000		RMB '000		RMB '000		RMB '000	
	(Note 31)	(Note 31)	(Note 31)	(Note 31)	(Note 32)	(Note 32)	(Note 32)	(Note 32)	(Note 32)	(Note 32)
	Share capital	Treasury shares	Capital reserve*	Share-based payment reserve*	Statutory surplus reserve*	Exchange fluctuation reserve*	Retained earnings*	Total	Non-controlling interests	Total equity
	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000
As at 1 January 2022	1,131,307	(300,083)	4,734,782	378,711	184,116	(25)	(199,986)	8,390,701	-	8,390,701
Profit for the year	-	-	-	-	-	-	-	1,299,378	(6)	1,299,372
Other comprehensive income for the year:										
Change in fair value of equity investments at fair value through other comprehensive, net of tax.	-	-	-	-	-	17,815	-	17,815	-	17,815
Exchange differences on translation of foreign operations	-	-	-	-	-	-	324,702	324,702	-	324,702
Total comprehensive profit for the year	-	-	-	-	-	17,815	1,299,378	1,641,895	(6)	1,641,889
Issuance of ordinary shares	2,761	-	64,494	-	-	-	-	67,255	-	67,255
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	15,075	15,075
Distribution to shareholders	-	-	-	-	-	-	(338,935)	(338,935)	-	(338,935)
Share-based payments (Note 33)	-	-	-	151,270	-	-	-	151,270	-	151,270
Transfer from retained earnings	-	-	-	-	51,842	-	(51,842)	-	-	-
Transfer from other comprehensive income to retained earnings	-	-	-	-	-	(15,674)	15,674	-	-	-
As at 31 December 2022	1,134,068	(300,083)	4,799,276	529,981	235,958	2,116	124,716	9,912,186	15,069	9,927,255

	Attributable to owners of the parent										
	Share capital	Treasury shares	Capital reserve*	Share-based payment reserve*	Statutory surplus reserve*	Fair value reserve of equity investments designated at fair value through other comprehensive income*	Exchange fluctuation reserve*	Retained earnings*	Total	Non-controlling interests	Total equity
	RMB'000 (Note 31)	RMB'000 (Note 31)	RMB'000 (Note 32)	RMB'000 (Note 32)	RMB'000 (Note 32)	RMB'000 (Note 32)	RMB'000 (Note 32)	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2023	1,134,068	(300,083)	4,799,276	529,981	235,958	2,116	124,716	3,386,154	9,912,186	15,069	9,927,255
Profit for the year	-	-	-	-	-	-	-	450,910	450,910	238	451,148
Other comprehensive income for the year:											
Change in fair value of equity investments at fair value through other comprehensive, net of tax	-	-	-	-	-	(3,061)	-	-	(3,061)	-	(3,061)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	64,919	-	64,919	-	64,919
Total comprehensive profit for the year	-	-	-	-	-	(3,061)	64,919	450,910	512,768	238	513,006
Issuance of ordinary shares	4,672	-	112,002	-	-	-	-	-	116,674	-	116,674
Distribution to shareholders	-	-	-	-	-	-	-	(341,402)	(341,402)	(94)	(341,496)
Share-based payments (Note 33)	-	-	-	122,678	-	-	-	-	122,678	-	122,678
Sell treasury shares	-	300,083	(131,549)	-	-	-	-	-	168,534	-	168,534
Repurchase of A shares	-	(300,031)	-	-	-	-	-	-	(300,031)	-	(300,031)
Transfer from retained earnings	-	-	-	-	17,849	-	-	(17,849)	-	-	-
Transfer from other comprehensive income to retained earnings	-	-	-	-	-	(241)	-	241	-	-	-
As at 31 December 2023	1,138,740	(300,031)	4,779,729	652,659	253,807	(1,186)	189,635	3,478,054	10,191,407	15,213	10,206,620

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Attributable to owners of the parent									
	Share capital	Treasury shares	Capital reserve*	Share-based payment reserve*	Statutory surplus reserve*	Fair value reserve of equity investments designated at fair value through other comprehensive income*	Exchange fluctuation reserve*	Retained earnings*	Total
	RMB'000 (Note 31)	RMB'000 (Note 31)	RMB'000 (Note 32)	RMB'000 (Note 32)	RMB'000 (Note 32)	RMB'000 (Note 32)	RMB'000 (Note 32)	RMB'000	RMB'000
As at 1 January 2024	1,138,740	(300,031)	4,779,729	652,659	253,807	(1,186)	189,635	3,478,054	10,191,407
Profit for the period	-	-	-	-	-	-	-	978,077	978,077
Other comprehensive income for the period:									
Change in fair value of equity investments at fair value through other comprehensive, net of tax.	-	-	-	-	-	4,346	-	-	4,346
Exchange differences on translation of foreign operations	-	-	-	-	-	-	(49,702)	-	(49,702)
Total comprehensive profit for the period	-	-	-	-	-	4,346	(49,702)	978,077	932,721
Issuance of ordinary shares	3,798	-	87,956	-	-	-	-	-	91,754
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-
Distribution to shareholders	-	-	-	-	-	-	-	29,000	29,000
Share-based payments (Note 33)	-	-	-	35,885	-	-	-	(338,193)	(338,193)
Repurchase of A shares	-	(409,057)	-	-	-	-	-	-	-
As at 30 September 2024 (unaudited)	1,142,538	(709,088)	4,867,685	688,544	253,807	3,160	139,933	4,117,938	10,504,517
								42,515	10,547,032

Attributable to owners of the parent											
	Share capital	Treasury shares	Capital reserve*	Share-based payment reserve*	Statutory surplus reserve*	Fair value reserve of equity investments designated at fair value through other comprehensive income*	Exchange fluctuation reserve*	Retained earnings*	Total	Non-controlling interests	Total equity
	RMB '000 (Note 31)	RMB '000 (Note 31)	RMB '000 (Note 32)	RMB '000 (Note 32)	RMB '000 (Note 32)	RMB '000 (Note 32)	RMB '000 (Note 32)	RMB '000	RMB '000	RMB '000	RMB '000
As at 1 January 2025	1,144,789	(427,558)	4,934,055	691,915	286,560	2,180	253,113	4,518,383	11,403,437	(6,933)	11,396,504
Profit for the period	-	-	-	-	-	-	-	1,632,284	1,632,284	(55,919)	1,576,365
Other comprehensive income for the period:											
Change in fair value of equity investments at fair value through other comprehensive, net of tax	-	-	-	-	-	93	-	-	93	-	93
Exchange differences on translation of foreign operations	-	-	-	-	-	-	(57,661)	-	(57,661)	-	(57,661)
Total comprehensive profit for the period	-	-	-	-	-	93	(57,661)	1,632,284	1,574,716	(55,919)	1,518,797
Issuance of ordinary shares	362	-	6,521	-	-	-	-	-	6,883	-	6,883
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	60,300	60,300
Distribution to shareholders	-	-	-	-	-	-	-	(669,996)	(669,996)	-	(669,996)
Share-based payments (Note 33)	-	-	-	145,125	-	-	-	-	145,125	-	145,125
Repurchase of A shares	-	(200,523)	-	-	-	-	-	-	(200,523)	-	(200,523)
As at 30 September 2025	1,145,151	(628,081)	4,940,576	837,040	286,560	2,273	195,452	5,480,671	12,259,642	(2,552)	12,257,090

* These reserve accounts comprise the reserves of RMB9,078,201,000, RMB9,352,698,000, RMB10,686,206,000, RMB10,071,067,000 (unaudited) and RMB11,742,572,000 in the consolidated statements of financial position as at 31 December 2022, 2023 and 2024 and 30 September 2024 and 2025, respectively.

CONSOLIDATED STATEMENTS OF CASH FLOWS

		Year ended 31 December			Nine months ended 30 September	
	Notes	2022	2023	2024	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit before tax		1,413,866	472,219	1,412,617	1,041,703	1,692,985
Adjustments for:						
Depreciation of property, plant and equipment	13	27,303	52,768	84,114	53,965	83,433
Loss/(gain) on disposal of items of property, plant and equipment. . . .		(442)	41	–	–	765
Depreciation of right-of-use assets . . .	15(a)	13,614	15,711	16,376	12,253	12,889
Depreciation of investment properties .	14	–	14,538	14,674	10,936	9,186
Depreciation of other non-current assets.		209	1,132	1,158	863	1,002
Amortisation of other intangible assets.	16	11,148	21,232	24,462	17,698	18,768
Gain on disposal of financial assets at fair value through profit or loss . . .		(373,834)	(89,152)	(52,918)	(42,276)	(106,797)
Dividend income received from financial assets at fair value through profit or loss		(2,293)	(1,972)	(626)	(90)	(924)
Dividend income received from equity investments designated at fair value through other comprehensive income.		(1,504)	(1,473)	(1,578)	(1,421)	(1,309)
Gain on disposal of financial assets measured at amortised cost		(549)	(2,017)	(25)	(9)	(66)
Fair value losses/(gains) on financial assets at fair value through profit or loss.		(90,746)	87,328	(23,889)	9,673	(16,247)
Impairment of inventories/(reversal of impairment of inventories).		26,032	192,529	44,443	2,511	(30,854)
Impairment of trade receivables/(reversal of impairment of trade receivables)		711	(144)	465	(168)	759
Finance costs	7	1,032	742	1,513	1,022	1,346
Share of losses of associates	17	3,562	3,635	6,548	7,910	13,611
Equity-settled share-based payment expenses.	33	151,270	122,678	39,256	35,885	145,125
Foreign exchange (gain)/loss, net		(1,260)	(2,324)	(12,312)	(3,265)	16,833
		1,178,119	887,471	1,554,278	1,147,190	1,840,505

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Notes					
Decrease/(increase) in inventories . . .	(389,499)	62,574	82,708	88,430	(410,562)
Decrease/(increase) in trade receivables	(137,585)	18,527	(104,013)	32,296	(186,184)
Decrease/(increase) in prepayments, other receivables and other assets . .	(75,195)	9,814	(11,983)	(11,290)	(11,548)
Increase/(decrease) in trade payables . .	14,938	(44,825)	84,598	25,894	88,754
Increase/(decrease) in other payables and accruals	176,147	(47,473)	90,099	57	335,462
Increase/(decrease) in contract liabilities	22,731	(21,116)	20,473	1,640	4,837
Increase/(decrease) in deferred income.	(3,603)	4,658	(355)	(4,923)	2,308
Cash generated from operations . . .	786,053	869,630	1,715,805	1,279,294	1,663,572
Income tax paid.	(97,218)	(138,380)	(24,483)	(18,582)	(62,901)
Net cash flows generated from operating activities.	688,835	731,250	1,691,322	1,260,712	1,600,671
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchases of items of property, plant and equipment	(207,637)	(392,389)	(353,258)	(297,394)	(221,955)
Proceeds from disposal of items of property, plant and equipment. . . .	503	–	–	–	–
Purchases of investment properties . . .	–	(2,135)	(3,231)	(729)	–
Payment for acquisition of subsidiaries	(3,076)	–	–	–	–
Purchases of associates	–	(10,000)	(45,059)	(45,059)	–
Purchases of other intangible assets . .	(19,222)	(29,235)	(22,330)	(4,607)	(5,905)
Purchases of equity investments designated at fair value through other comprehensive income	(1,141)	(2,359)	–	–	(5,045)
Proceeds from disposal of equity investments designated at fair value through other comprehensive income.	30,495	2,653	4,351	–	–
Purchases of financial assets at fair value through profit or loss	(5,542,928)	(4,035,289)	(5,101,000)	(3,008,000)	(1,819,946)
Proceeds from disposal of financial assets at fair value through profit or loss.	5,805,902	3,883,419	5,112,073	3,265,737	3,194,019

APPENDIX I

ACCOUNTANT'S REPORT

	Notes	Year ended 31 December			Nine months ended 30 September	
		2022	2023	2024	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Purchases of other non-current assets		–	(229)	(304)	–	–
Purchases of pledged deposits		–	(2,000)	(34,741)	–	–
Proceeds from refund of pledged deposits		–	11,306	–	–	–
Purchases of financial assets measured at amortised cost		(169,500)	(320,199)	(14,461)	(14,461)	(74,062)
Proceeds from refund of financial assets measured at amortised cost		170,049	322,216	14,486	9	74,128
Net cash flows generated from/(used in) investing activities		<u>63,445</u>	<u>(574,241)</u>	<u>(443,474)</u>	<u>(104,504)</u>	<u>1,141,234</u>
CASH FLOWS FROM FINANCING ACTIVITIES						
Distribution to shareholders		(338,935)	(341,496)	(338,496)	(338,193)	(443,140)
Issuance of ordinary shares		67,255	116,674	145,145	91,754	6,883
Capital contribution from non- controlling shareholders		15,075	–	49,200	29,000	60,300
Sell treasury shares		–	168,534	297,691	–	–
Repurchase of A shares		–	(300,031)	(409,057)	(409,057)	(200,523)
Principal portion of lease payments		(13,335)	(15,790)	(21,421)	(17,492)	(12,521)
Payment of listing expenses		–	–	–	–	(17,733)
Others		(150)	–	–	–	–
Net cash flows used in financing activities		<u>(270,090)</u>	<u>(372,109)</u>	<u>(276,938)</u>	<u>(643,988)</u>	<u>(606,734)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		<u>482,190</u>	<u>(215,100)</u>	<u>970,910</u>	<u>512,220</u>	<u>2,135,171</u>
Cash and cash equivalents at beginning of year/period		5,083,941	5,833,750	5,665,880	5,665,880	6,698,932
Effect of foreign exchange rate changes, net		267,619	47,230	62,142	(37,940)	(62,169)
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD		<u>5,833,750</u>	<u>5,665,880</u>	<u>6,698,932</u>	<u>6,140,160</u>	<u>8,771,934</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS						
Cash and cash equivalents	26	5,833,750	5,665,880	6,698,932	6,140,160	8,771,934
Cash and cash equivalents as stated in the consolidated statements of cash flows and consolidated statements of financial position		<u>5,833,750</u>	<u>5,665,880</u>	<u>6,698,932</u>	<u>6,140,160</u>	<u>8,771,934</u>

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

		31 December			30 September
	Notes	2022	2023	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000
NON-CURRENT ASSETS					
Property, plant and equipment	13	179,830	216,754	254,691	242,217
Investment properties	14	327,369	319,819	313,157	306,310
Right-of-use assets		—	—	754	560
Other intangible assets	16	23,254	18,121	13,213	6,540
Investments in subsidiaries	21	3,007,860	3,028,017	3,075,299	3,132,745
Financial assets at fair value through profit or loss	19	—	9,000	8,043	15,422
Deferred tax assets	22	10,269	22,145	10,866	16,942
Other non-current assets		—	114	158	109
Total non-current assets		3,548,582	3,613,970	3,676,181	3,720,845
CURRENT ASSETS					
Prepayments, other receivables and other assets	25	1,246,392	1,327,069	1,382,397	1,559,543
Trade receivables	37	154,812	—	222,936	490,645
Financial assets at fair value through profit or loss	19	877,143	1,022,003	792,858	240,743
Cash and cash equivalents	26	1,816,394	1,337,144	1,313,662	1,375,226
Total current assets		4,094,741	3,686,216	3,711,853	3,666,157
CURRENT LIABILITIES					
Trade payables	27	61,256	28,372	864	13,150
Other payables and accruals	28	288,920	32,912	85,557	338,992
Tax payables		2,932	—	5,555	19,849
Lease liabilities		—	—	274	274
Total current liabilities		353,108	61,284	92,250	372,265
NET CURRENT ASSETS		3,741,633	3,624,932	3,619,603	3,293,892
TOTAL ASSETS LESS					
CURRENT LIABILITIES		7,290,215	7,238,902	7,295,784	7,014,737
NON-CURRENT					
LIABILITIES					
Deferred income	30	51,140	54,882	49,823	59,398
Lease liabilities		—	—	504	304
Total non-current liabilities		51,140	54,882	50,327	59,702
NET ASSETS		7,239,075	7,184,020	7,245,457	6,955,035
EQUITY					
Equity attributable to owners of the parent					
Share capital	31	1,134,068	1,138,740	1,144,789	1,145,151
Treasury shares	31	(300,083)	(300,031)	(427,558)	(628,081)
Reserves	32	6,405,090	6,345,311	6,528,226	6,437,965
TOTAL EQUITY		7,239,075	7,184,020	7,245,457	6,955,035

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

The Company was established in Shanghai on May 27, 2004 and is a company with limited liability incorporated in the People's Republic of China (hereinafter referred to as "PRC"). The registered office of the Company is located at 15/F, Building 1, No. 181 Caobao Road, Xuhui District, Shanghai. The Company's A shares have been listed on the Shanghai Stock Exchange since July 22, 2019.

During the Relevant Periods, the Group was principally engaged in research and development, design, and sales of interconnect chips.

In the opinion of the directors, the Company has no controlling shareholder.

Information about subsidiaries

As at the date of this report, the Company had direct or indirect interests in its subsidiaries, all of which are private limited liability companies (or, if incorporated outside Hong Kong, have substantially similar characteristics to a private company incorporated in Hong Kong) and partnerships. The particulars of the Company's principal subsidiaries are as follows:

Name	Notes	Place and date of incorporation/ registration and place of operations	Nominal value of issued ordinary/ registered share capital	Percentage of equity attributable to the Company		Principal activities
				Direct	Indirect	
Montage Technology (Kunshan) Co., Ltd. ("瀾 起電子科技(昆山)有限公 司")	(2)	Mainland China May 2017	RMB500,000,000	100%	–	Chip R&D and sales
Montage Technology Holdings Company Limited	(1)	Cayman Islands June 2010	USD50,000	100%	–	Investment holding
Montage Semiconductor (Kunshan) Co., Ltd. ("昆 山瀾起半導體有限公司").	(2)	Mainland China April 2018	RMB1,000,000	–	100%	Chip R&D and sales
Montage Technology Macao Commercial Offshore Limited.	(1)	Macau May 2003*	MOP500,000	–	100%	Chip R&D and sales

* Montage Group acquired the entire equity interests in Montage Technology Macao Commercial Offshore Limited in April 2013 from an Independent Third Party.

The English names of the companies registered in the PRC represent the best efforts made by the management of the Company to translate the Chinese names of these companies as they do not have official English names.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results during the Relevant Periods and the nine months ended 30 September 2024 or formed a substantial portion of the net assets of the Group.

- (1) No audited financial statements have been prepared and issued for this entity as it is not subject to any statutory audit requirement under the relevant rules and regulations in its jurisdiction of establishment.
- (2) The statutory financial statements for the years ended 31 December 2022, 2023 and 2024 prepared in accordance with PRC generally accepted accounting principles and regulations have been audited by Ernst & Young Hua Ming Certified Public Accountants LLP.

2. ACCOUNTING POLICIES

2.1 Basis of Preparation

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations issued by the International Accounting Standards Board (the "IASB").

All IFRS Accounting Standards effective for the accounting period commencing from 1 January 2025, together with the relevant transitional provisions, have been early adopted by the Group in the preparation of the Historical Financial Information throughout the Relevant Periods and in the periods covered by the Interim comparative financial information.

The Historical Financial Information has been prepared under the historical cost convention, except for financial assets at fair value through profit or loss and equity investments designated at fair value through other comprehensive income which have been measured at fair value.

Basis of consolidation

The consolidated financial statements include the Historical Financial Information of the Group for the Relevant Periods. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The Historical Financial Information of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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 described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 Issued But Not Yet Effective International Financial Reporting Standards

The Group has not applied the following new and amended standards, that have been issued but are not yet effective, in the Historical Financial Information.

IFRS 18	<i>Presentation and Disclosure in Financial Statements</i> ²
IFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i> ²
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i> ¹
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referencing Nature-dependent Electricity</i> ¹
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ³
<i>Annual Improvements to IFRS Accounting Standards – Volume 11</i>	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 ¹

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual/reporting periods beginning on or after 1 January 2027

³ No mandatory effective date yet determined but available for adoption

The Group is in the process of making an assessment of the impact of these new and amended standards upon initial application. IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specific totals and subtotals. It also requires disclosure of management-defined performance measures in a note and introduces new requirements for aggregation and disaggregation of financial information. The new requirements are expected to impact the Group's presentation of the statement of profit or loss and disclosures of the Group's financial performance. So far, the Group considers that the new and amended standards are unlikely to have a significant impact on the Group's results of operations and financial position.

2.3 Material Accounting Policies

Investments in an associate

An associate is an entity in which the Group has a long-term interest of generally not less than 20% of the equity voting rights and over which it has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investment in an associate is stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Fair value measurement

The Group measures certain of its structured deposits and equity investments at fair value at the end of each of the Relevant Periods. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Historical Financial Information are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Historical Financial Information on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each of the reporting periods.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows 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. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;
- or
- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

- (iii) the entity and the Group are joint ventures of the same third party;
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Category	Principal annual rates
Freehold land.	Permanent term
Buildings	2.0%-20.0%
Furniture, fixture and device	20.0%-33.3%
Motor vehicle	20.0%-33.3%
Leasehold improvements.	Over the shorter of the lease terms and 20.0%
Photomask	20.0%-33.3%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the reporting period the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Investment properties

Investment properties are interests in buildings held to earn rental income and for capital appreciation. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and any impairment losses.

Depreciation is calculated on the straight-line basis to write off the cost of each item of investment properties to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Category	Principal annual rates
Buildings	2.0%-3.3%

Where parts of an item of investment properties have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

Other intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Software

Software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 1 to 5 years, which is the license period of the software.

Licensed intellectual properties ("Licensed IPs")

License rights are stated at historical cost less accumulated amortisation and accumulated impairment losses and are amortised on the straight-line basis over their estimated useful life of 1 to 5 years.

Research and development costs

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Leases

The Group assesses at contract inception whether a contract is, or contains, 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

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Office premises	Lease term
Leasehold land	50 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office premises (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of office equipment that is considered to be of low value.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are accounted for as finance leases.

Financial investments***Initial recognition and measurement***

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on the equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At the end of each of the Relevant Periods, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, 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 and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

- Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs
- Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
- Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Trade and other payables

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost basis and, in the case of work in progress and finished goods, comprises materials, processing costs and other costs. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statements of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of each reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to profit or loss by way of a reduced depreciation charge.

Revenue recognition***Revenue from contracts with customers***

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

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.

The Group generates revenue from the sale of products, including sales from direct selling model and sales from consignment arrangements, which is recognised at the point in time when control of the assets is transferred to the customer.

For sales from direct selling model, revenue is recognised when the control of the products has transferred to the customer, which is the point of export declaration or acceptance by the customer according to the contract.

For sales from consignment arrangements, revenue is recognised when the control of the products has transferred to the end customers from the consignee.

Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

Other 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.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Share-based payments

The Company operates restricted A share incentive schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration in exchange for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value of restricted A shares for employees and executives is determined by an external valuer using the Black-Scholes formula. Since there are no cash settlement alternatives, the Group accounts for the Restricted A-share Incentive Schemes as equity-settled share-based schemes, further details of which are given in note 33 to the Historical Financial Information.

The cost of equity-settled transactions is recognised in employee benefit expense or the expenses for the services provided by the consultants, 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 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.

The dilutive effect of outstanding awards is reflected as additional share dilution in the computation of earnings per share.

The Company operates Core Management Incentive Plan for the purpose of providing incentives and rewards to executives who contribute to the success of the Group's operations. Executives of the Group receive remuneration in the form of cash-settled share-based payments, whereby executives render services as consideration in exchange for stock appreciation rights ("cash-settled transactions").

A liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially at the grant date and at each reporting date up to and including the settlement date using the Black-Scholes formula (note 33). The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The cumulative expense recognised for cash-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 awards that will ultimately vest.

Other employee benefits

Pension scheme

The employees of the Group's subsidiaries which operate in mainland China are required to participate in a central pension scheme operated by the local municipal government. The Group is required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to the statements of profit or loss as they become payable in accordance with the rules of the central pension scheme.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting.

Proposed final dividends are disclosed in the notes to the Historical Financial Information.

Foreign currencies

These financial statements are 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. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

The functional currencies of certain overseas subsidiaries are currencies other than RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve, except to the extent that the differences are attributable to non-controlling interests. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into RMB using the month-end exchange rate immediately preceding the cash flow transaction date. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

3. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES

The preparation of the Group's Historical Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgement

In the process of applying the Group's accounting policies, management has made the following judgement, apart from those involving estimations, which has the most significant effect on the amounts recognised in the Historical Financial Information:

Operating leases — as lessor

The Group has entered into lease contracts for investment properties. The Group treated as an operating lease according to the terms of the lease contract as the Group retains almost all the material risks and rewards in the ownership of these properties.

Business model

The classification of financial assets upon initial recognition depends on the Group's business model for managing financial assets. In determining the business model, the Group considers the ways in which the Company evaluates and reports the performance of financial assets to key management personnel, the risks that affect the performance of financial assets and their management, and the way in which relevant business management personnel are remunerated. When evaluating whether to target the collection of contractual cash flows, the group needs to analyse and judge the reasons, timing, frequency and value of the financial assets sold before the maturity date.

Contractual cash flow characteristics

The classification of financial assets at initial recognition depends on the contractual cash flow characteristics of the financial assets. When it is necessary to judge whether the contractual cash flows are only payments of principal and interest based on outstanding principal, it is necessary to judge whether the contractual cash flows are significantly different from the benchmark cash flows when the valuation includes amendments to the time value of money.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each of the Relevant Periods, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Provision for expected credit losses on trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group calibrated the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic products) are expected to deteriorate over the next year which can lead to an increased number of defaults in the retail sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in note 24 to the Historical Financial Information.

Impairment of Inventory

In accordance with the Group's inventory accounting policy, the Group measures inventories at the lower of cost and net realizable value, and accrues inventory falling price reserves for inventories whose costs are higher than net realizable value, obsolete and unsalable. The impairment of inventories to net realizable value is based on the assessment of the marketability of inventories and their net realizable value. Identifying inventory impairment requires management to make judgments and estimates based on the availability of conclusive evidence and taking into account factors such as the purpose for which the inventory is held and the impact of events after the balance sheet date. The difference between the actual result and the original estimate will affect the book value of the inventory and the accrual or reversal of the inventory depreciation reserves in the period in which the estimate is changed.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-current non-financial assets (including right-of-use assets) at the end of each of the Relevant Periods. The non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate to calculate the present value of those cash flows. The carrying amounts of property, plant and equipment, investment properties, right-of-use assets, other intangible assets and other non-current assets are set out in notes 13, 14, 15, 16 and 20 to the Historical Financial Information.

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

As at 31 December 2022, 2023 and 2024 and 30 September 2025, the Group has tax losses of RMB353,191,000, RMB625,815,000, RMB877,225,000 and RMB845,591,000 carried forward. These losses related to subsidiaries that have a history of losses, have not expired, and may not be used to offset taxable income elsewhere in the Group. The subsidiaries have neither any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

Further details on deferred taxes are disclosed in note 22 to the financial statements.

Leases — Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

4. OPERATING SEGMENT INFORMATION

The Group manages its business as a whole for the purpose of making decision on resource allocation and performance assessment, therefore, no operating segment information is presented.

Geographical information

(a) Revenue from external customers

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Mainland China and Hong Kong	1,216,841	365,271	1,061,588	772,446	1,136,548
Others	2,455,417	1,920,467	2,577,323	1,798,424	2,921,140
Total	<u>3,672,258</u>	<u>2,285,738</u>	<u>3,638,911</u>	<u>2,570,870</u>	<u>4,057,688</u>

The revenue information above is based on the locations where the customers are incorporated.

(b) Non-current assets

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Mainland China	1,343,818	1,549,878	1,876,557	1,898,127
Others	7,604	84,739	91,213	117,058
Total	<u>1,351,422</u>	<u>1,634,617</u>	<u>1,967,770</u>	<u>2,015,185</u>

The non-current asset information above is based on the locations of our reporting entities and excludes investments in associates, financial instruments and deferred tax assets.

Information about major customers

Revenue from each of the major customers, which accounted for 10% or more of the Group's revenue during the Relevant Periods and nine months ended 30 September 2024 are set out below:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
No. 1	941,460	626,607	833,394	636,666	1,139,604
No. 2	751,249	533,616	653,627	481,747	649,073
No. 3	651,889	311,353	651,463	411,519	470,782
No. 4	579,666	N/A*	432,362	287,536	460,535
Total	<u>2,924,264</u>	<u>1,471,576</u>	<u>2,570,846</u>	<u>1,817,468</u>	<u>2,719,994</u>

* The corresponding revenue of the customers are not disclosed as the revenue individually did not account for 10% or more of the Group's revenue during the respective period.

5. REVENUE, OTHER INCOME AND GAINS AND OTHER EXPENSES

Revenue

Revenue represents income from the sale of products and rental during the Relevant Periods and the nine months ended 30 September 2024.

An analysis of revenue is as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Revenue from contracts with customers	3,671,212	2,278,141	3,628,770	2,562,121	4,050,173
Revenue from other sources Rental income	1,046	7,597	10,141	8,749	7,515
Total	<u>3,672,258</u>	<u>2,285,738</u>	<u>3,638,911</u>	<u>2,570,870</u>	<u>4,057,688</u>

Revenue from contracts with customers

(a) Disaggregated revenue information

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Revenue by product					
Interconnect chips	2,734,651	2,184,594	3,349,185	2,377,078	3,832,037
Jintide products	936,561	93,547	279,585	185,043	218,136
	<u>3,671,212</u>	<u>2,278,141</u>	<u>3,628,770</u>	<u>2,562,121</u>	<u>4,050,173</u>
Geographical market					
Mainland China and Hong Kong	1,215,795	357,674	1,051,447	763,697	1,129,523
Others	2,455,417	1,920,467	2,577,323	1,798,424	2,920,650
	<u>3,671,212</u>	<u>2,278,141</u>	<u>3,628,770</u>	<u>2,562,121</u>	<u>4,050,173</u>
Timing of revenue recognition					
Revenue recognised at a point in time	3,671,212	2,278,141	3,628,770	2,562,121	4,050,173
Total	<u>3,671,212</u>	<u>2,278,141</u>	<u>3,628,770</u>	<u>2,562,121</u>	<u>4,050,173</u>

APPENDIX I

ACCOUNTANT'S REPORT

The following table shows the amounts of revenue recognised in the Relevant Periods and the nine months ended 30 September 2024 that were included in the contract liabilities at the beginning of each reporting period:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Revenue recognised that was included in contract liabilities at the beginning of the year/period:					
Sale of products.	–	22,731	1,615	1,615	22,088
	=	=	=	=	=

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of products

The performance obligation of sale of products is satisfied upon delivery of the products and payment is generally due within 30 to 60 days from delivery.

The Group has no revenue contract that has an original expected duration of more than one year. Thus, management applied practical expedient under IFRS15 and did not disclose the aggregate amount of the transaction price allocated to the performance obligation that are unsatisfied or partially satisfied as at the end of each of the Relevant Periods and the nine months ended 30 September 2024.

Other income and gains and other expenses

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Other income					
Government grants and subsidies.	45,589	83,092	89,848	74,861	67,596
Bank interest income	81,275	178,906	229,986	193,032	218,620
Others	1,322	2,710	1,734	1,734	1,745
	<u>128,186</u>	<u>264,708</u>	<u>321,568</u>	<u>269,627</u>	<u>287,961</u>
Gains					
Foreign exchange gain, net	1,260	2,324	12,312	3,265	–
Reversal of impairment of inventories, net	–	–	–	–	30,854
Investment income	378,180	94,614	55,147	43,796	109,096
	<u>379,440</u>	<u>96,938</u>	<u>67,459</u>	<u>47,061</u>	<u>139,950</u>
Total other income and gains	<u>507,626</u>	<u>361,646</u>	<u>389,027</u>	<u>316,688</u>	<u>427,911</u>
Other expenses					
Impairment of inventories, net	26,032	192,529	44,443	2,511	–
Loss on disposal of items of property, plant and equipment, net	–	41	–	–	765
Charitable donations	667	1,140	281	101	15
Foreign exchange loss, net	–	–	–	–	16,833
Others	2	–	–	–	1
Total	<u>26,701</u>	<u>193,710</u>	<u>44,724</u>	<u>2,612</u>	<u>17,614</u>

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Notes	Year ended 31 December			Nine months ended 30 September	
		2022	2023	2024	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Cost of inventories sold and services provided*		1,966,747	939,216	1,523,615	1,076,805	1,563,886
Depreciation of property, plant and equipment.	13	27,303	52,768	84,114	53,965	83,433
Depreciation of investment properties.	14	–	14,538	14,674	10,936	9,186
Depreciation of right-of-use assets	15(a)	13,614	15,711	16,376	12,253	12,889
Amortisation of other intangible assets	16	11,148	21,232	24,462	17,698	18,768
Lease payments not included in the measurement of lease liabilities	15(c)	12,076	6,518	7,759	5,321	5,524
Research and development expenses*		563,487	681,812	763,470	552,282	533,161
Employee benefit expenses		496,307	534,267	680,080	488,715	470,605
Equity-settled share-based payment expenses	33	151,270	122,678	39,256	35,885	145,125
Cash-settled share-based payment expenses	33	–	–	19,593	–	387,230
Foreign exchange (gain)/loss, net		(1,260)	(2,324)	(12,312)	(3,265)	16,833
Impairment losses recognised on trade receivables/(reversal of impairment losses on trade receivables), net.	24	711	(144)	465	(168)	759
Impairment of inventories/(reversal of impairment of inventories) . . .		26,032	192,529	44,443	2,511	(30,854)
Fair value changes of financial assets at fair value through profit or loss.		(90,746)	87,328	(23,889)	9,673	(16,247)

* Cost of inventories sold and services provided and research and development expenses include expenses relating to depreciation of property, plant and equipment, amortisation of other intangible assets and staff costs, which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

7. FINANCE COSTS

An analysis of finance costs is as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Interest on lease liabilities	<u>1,032</u>	<u>742</u>	<u>1,513</u>	<u>1,022</u>	<u>1,346</u>

8. DIRECTORS', CHIEF EXECUTIVE'S AND SUPERVISORS' REMUNERATION

Details of the remuneration received or receivable by the directors, chief executive and supervisors from the Company are as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Fees:					
Directors and supervisors	<u>1,800</u>	<u>1,800</u>	<u>1,800</u>	<u>1,350</u>	<u>1,230</u>
Other emoluments:					
Salaries, allowances and benefits in kind	6,715	6,787	6,767	4,764	5,889
Performance related bonuses	12,505	10,575	14,279	7,639	10,623
Share-based payments . .	<u>35,364</u>	<u>18,308</u>	<u>30,994</u>	<u>—</u>	<u>447,536</u>
	<u>54,584</u>	<u>35,670</u>	<u>52,040</u>	<u>12,403</u>	<u>464,048</u>
Total.	<u>56,384</u>	<u>37,470</u>	<u>53,840</u>	<u>13,753</u>	<u>465,278</u>

Year ended 31 December 2022

	Notes	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Total
		RMB'000	RMB'000	RMB'000	RMB'000
Chief executive and executive directors:					
Dr. Howard C. Yang	x	—	3,028	6,000	9,028
Mr. Stephen Kuong-Io Tai . .	x	—	3,021	6,000	9,021
Other directors:					
Mr. Li Rongxin	i	—	—	—	—
Mr. Brent Alexander Young . .	ii	—	—	—	—
Ms. Shi Yi	iii	—	454	377	831
Independent directors:					
Mr. Yin Zhiyao	vi	360	—	—	360
Mr. Lv Changjiang	vii	360	—	—	360
Mr. Liu Jingdong	viii	360	—	—	360
Mr. Yu Bo.	ix	360	—	—	360
Supervisors:					
Ms. Xia Xiaoyan	xii	—	—	—	—
Mr. Cai Xiaohong	xiii	360	—	—	360
Ms. Fang Zhoujie	v	—	212	128	340
Total		<u>1,800</u>	<u>6,715</u>	<u>12,505</u>	<u>21,020</u>

Year ended 31 December 2023

	Notes	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Total
		RMB'000	RMB'000	RMB'000	RMB'000
Chief executive and executive directors:					
Dr. Howard C. Yang	<i>x</i>	—	3,025	5,000	8,025
Mr. Stephen Kuong-Io Tai . . .	<i>x</i>	—	3,023	5,000	8,023
Other directors:					
Mr. Li Rongxin	<i>i</i>	—	—	—	—
Mr. Brent Alexander Young . .	<i>ii</i>	—	—	—	—
Ms. Shi Yi	<i>iii</i>	—	499	528	1,027
Independent directors:					
Mr. Yin Zhiyao	<i>vi</i>	360	—	—	360
Mr. Lv Changjiang	<i>vii</i>	360	—	—	360
Mr. Liu Jingdong	<i>viii</i>	360	—	—	360
Mr. Yu Bo.	<i>ix</i>	360	—	—	360
Supervisors:					
Ms. Xia Xiaoyan	<i>xii</i>	—	—	—	—
Mr. Cai Xiaohong	<i>xiii</i>	360	—	—	360
Ms. Fang Zhoujie	<i>v</i>	—	240	47	287
Total		1,800	6,787	10,575	19,162

Year ended 31 December 2024

	Notes	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Total
		RMB'000	RMB'000	RMB'000	RMB'000
Chief executive and executive directors:					
Dr. Howard C. Yang	<i>x</i>	—	3,011	6,979	9,990
Mr. Stephen Kuong-Io Tai . . .	<i>x</i>	—	3,012	6,978	9,990
Other directors:					
Dr. Wang Rui.	<i>iv</i>	—	—	—	—
Mr. Li Rongxin	<i>i</i>	—	—	—	—
Ms. Shi Yi	<i>iii</i>	—	246	91	337
Ms. Fang Zhoujie	<i>v</i>	—	136	133	269
Independent directors:					
Dr. Li Ruoshan.	<i>xi</i>	180	—	—	180
Dr. Yuhua Cheng	<i>xi</i>	180	—	—	180
Dr. Shan Hailing.	<i>xi</i>	180	—	—	180
Mr. Yin Zhiyao	<i>vi</i>	180	—	—	180
Mr. Lv Changjiang	<i>vii</i>	180	—	—	180
Mr. Liu Jingdong	<i>viii</i>	180	—	—	180
Mr. Yu Bo.	<i>ix</i>	180	—	—	180
Supervisors:					
Ms. Xia Xiaoyan	<i>xii</i>	180	—	—	180
Mr. Cai Xiaohong	<i>xiii</i>	360	—	—	360
Ms. Deng Yangfan.	<i>xiv</i>	—	245	80	325
Ms. Fang Zhoujie	<i>v</i>	—	117	18	135
Total		1,800	6,767	14,279	22,846

Nine months ended 30 September 2024

	Notes	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Total
		RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Chief executive and executive directors:					
Dr. Howard C. Yang	<i>x</i>	—	2,092	3,750	5,842
Mr. Stephen Kuong-Lo Tai . . .	<i>x</i>	—	2,151	3,750	5,901
Other directors:					
Dr. Wang Rui.	<i>iv</i>	—	—	—	—
Mr. Li Rongxin	<i>i</i>	—	—	—	—
Ms. Shi Yi	<i>iii</i>	—	246	91	337
Ms. Fang Zhoujie	<i>v</i>	—	63	—	63
Independent directors:					
Dr. Li Ruoshan.	<i>xi</i>	90	—	—	90
Dr. Yuhua Cheng	<i>xi</i>	90	—	—	90
Dr. Shan Hailing.	<i>xi</i>	90	—	—	90
Mr. Yin Zhiyao	<i>vi</i>	180	—	—	180
Mr. Lv Changjiang	<i>vii</i>	180	—	—	180
Mr. Liu Jingdong	<i>viii</i>	180	—	—	180
Mr. Yu Bo.	<i>ix</i>	180	—	—	180
Supervisors:					
Ms. Xia Xiaoyan	<i>xii</i>	90	—	—	90
Mr. Cai Xiaohong	<i>xiii</i>	270	—	—	270
Ms. Deng Yangfan	<i>xiv</i>	—	95	30	125
Ms. Fang Zhoujie	<i>v</i>	—	117	18	135
Total		1,350	4,764	7,639	13,753

Nine months ended 30 September 2025

	Notes	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Total
		RMB'000	RMB'000	RMB'000	RMB'000
Chief executive and executive directors:					
Dr. Howard C. Yang	<i>x</i>	—	2,707	5,250	7,957
Mr. Stephen Kuong-Lo Tai . . .	<i>x</i>	—	2,741	5,250	7,991
Other directors:					
Dr. Wang Rui.	<i>iv</i>	—	—	—	—
Ms. Fang Zhoujie	<i>v</i>	—	191	55	246
Independent directors:					
Dr. Li Ruoshan.	<i>xi</i>	270	—	—	270
Dr. Yuhua Cheng	<i>xi</i>	270	—	—	270
Dr. Shan Hailing.	<i>xi</i>	270	—	—	270
Supervisors:					
Ms. Xia Xiaoyan	<i>xii</i>	210	—	—	210
Mr. Cai Xiaohong	<i>xiii</i>	210	—	—	210
Ms. Deng Yangfan.	<i>xiv</i>	—	250	68	318
Total		1,230	5,889	10,623	17,742

Notes:

- (i) Mr. Li Rongxin served as a Director of the Company from 28 October 2018 to 21 June 2024.
- (ii) Mr. Brent Alexander Young served as a Director of the Company from 23 November 2018 to 19 December 2023.

- (iii) Ms. Shi Yi served as an employee-representative Director of the Company from 28 September 2021 to 21 June 2024.
- (iv) Dr. Wang Rui served as a Director of the Company from 26 January 2024.
- (v) Ms. Fang Zhoujie served as a supervisor of the Company from 28 September 2021 to 21 June 2024. Ms. Fang was appointed as an employee-representative Director of the Company with effect from 21 June 2024.
- (vi) Mr. Yin Zhiyao served as an independent director of the Company from 5 March 2019 to 21 June 2024.
- (vii) Mr. Lv Changjiang served as an independent director of the Company from 28 October 2018 to 21 June 2024.
- (viii) Mr. Liu Jingdong served as an independent director of the Company from 28 October 2018 to 21 June 2024.
- (ix) Mr. Yu Bo served as an independent director of the Company from 28 October 2018 to 21 June 2024.
- (x) For the years ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2024 and 2025, share-based payments of chief executive and executive directors were RMB35,364,000, RMB18,308,000, RMB30,994,000, nil and RMB447,536,000, respectively. The share-based payments were equal between executive directors.
- (xi) Dr. Li Ruoshan, Dr. Yuhua Cheng and Dr. Shan Hailing joined the Company as an independent Director on 21 June 2024.
- (xii) Ms. Xia Xiaoyan was appointed as the chairman of supervisor board of the Company from 28 October 2018.
- (xiii) Mr. Cai Xiaohong was appointed as a supervisor of the Company from 28 September 2021.
- (xiv) Ms. Deng Yangfan was appointed as a supervisor of the Company from 21 June 2024.
- (xv) On 20 June 2025, the Company convened the 8th meeting of the third Board of Directors, which adopted the proposal to discontinue the Supervisory Committee, with its functions and powers to be exercised by the Audit Committee thereafter. On 7 July 2025, the proposal was approved by the Shareholders' meeting and accordingly, Ms. Xia Xiaoyan, Mr. Cai Xiaohong, and Ms. Deng Yangfan ceased to serve as supervisors of the Company.

9. FIVE HIGHEST PAID EMPLOYEES

The five individuals with the highest emoluments in the Group for the years ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2024 and 2025 included two, two, two, two and two directors disclosed above, respectively. Details of the directors' remuneration are set out in note 8 above. Details of the remuneration of the remaining three, three, three, three and three highest paid employees, respectively, who are neither a director nor chief executive of the Company for the years ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2024 and 2025 are as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Salaries, allowances and benefits in kind	4,033	5,242	4,928	3,905	4,183
Performance related bonuses	13,078	16,746	9,240	3,233	7,950
Share-based payments	2,617	2,606	—	1,411	695
Total	<u>19,728</u>	<u>24,594</u>	<u>14,168</u>	<u>8,549</u>	<u>12,828</u>

The numbers of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands are as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
				(Unaudited)	
HK\$1,500,001 to HK\$2,000,000	—	—	—	—	—
HK\$2,000,001 to HK\$2,500,000	—	—	—	1	—
HK\$2,500,001 to HK\$3,000,000	—	—	—	—	—
HK\$3,000,001 to HK\$3,500,000	—	—	—	1	1
HK\$4,000,001 to HK\$4,500,000	—	1	1	1	—
HK\$4,500,001 to HK\$5,000,000	1	—	1	—	1
HK\$5,500,001 to HK\$6,000,000	—	—	1	—	1
HK\$6,000,001 to HK\$6,500,000	—	1	—	—	—
HK\$6,500,001 to HK\$7,000,000	1	—	—	—	—
HK\$11,000,001 to HK\$11,500,000	1	—	—	—	—
HK\$16,500,001 to HK\$17,000,000	—	1	—	—	—
Total	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>

10. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate.

PRC corporate income tax

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the EIT rate of the Group's PRC subsidiaries is 25% unless subject to preferential tax treatments set out below.

According to the Administrative Measures for Determination of High and New Tech Enterprises, which was promulgated by the Ministry of Science and Technology, the Ministry of Finance and the State Administration of Taxation, an enterprise recognized as a high and new technology enterprise is subject to a preferential enterprise income tax rate of 15% pursuant to the relevant requirements of the EIT Law. The Company and certain subsidiaries of the Group, such as Montage Technology (Kunshan) Co., Ltd., were qualified for a preferential income tax rate of 15% for the years ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2025.

Pursuant to the Announcement on Enterprise Income Tax Policy for Promoting High-Quality Development of the Integrated Circuit Industry and Software Industry (《關於促進集成電路產業和軟件產業高質量發展企業所得稅政策的公告》), jointly promulgated by the Ministry of Finance, the General Administration of Taxation, the National Development and Reform Commission (“NDRC”), and the Ministry of Industry and Information Technology (“MIIT”): 1) state-encouraged IC design enterprises are exempted from enterprise income tax for the first and second years starting from their first profitable year. From the third to the fifth year, enterprise income tax is levied at half of the 25% statutory tax rate; 2) state-encouraged key IC design enterprises are exempted from enterprise income tax for the first to fifth years starting from their first profitable year, and the enterprise income tax rate is reduced to 10% for subsequent years.

The Company was qualified as a state-encouraged key IC design enterprise and therefore was subject to a preferential tax rate of 10% for the years ended 31 December 2022 and 2024. The Group’s subsidiary, Montage Technology (Kunshan) Co., Ltd., was qualified as a state-encouraged IC design enterprise for the years ended 31 December 2022 and 2023, and was qualified as a state-encouraged key IC design enterprise for the year ended 31 December 2024. The subsidiary’s first profitable year was 2022, therefore, it was exempted from enterprise income tax for the years ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2025.

Certain of the Group’s subsidiaries located in specific areas of mainland China were eligible for a preferential corporate income tax rate of 15% by meeting the requirements of the relevant policies.

Pursuant to the relevant regulations, in 2022, for Small and Low-profit Enterprise with an annual taxable income below RMB1,000,000 (RMB1,000,000 included), the taxable income is reduced by 12.5%, and the corporate income tax is paid at the tax rate of 20%, the Small and Low-profit Enterprise with an annual taxable income between RMB1,000,000 and RMB3,000,000 (RMB3,000,000 included) is entitled to a preferential tax treatment with only 25% income taxable at the preferential EIT rate of 20%. From 1 January 2023 to 31 December 2027, for Small and Low-profit Enterprise, the taxable income is reduced by 25% and the corporate income tax can be paid at a tax rate of 20%. Certain subsidiaries which meet the criteria of “Small and Low-profit Enterprise” are eligible for preferential tax rate of 20%.

Macau corporate income tax

According to the Supplementary Income Tax Law No. 21/78/M promulgated by the Macau Special Administrative Region, the subsidiary is eligible for the category of Class A taxpayers for the Relevant Periods and the nine months ended 30 September 2024, and the EIT is 12% according to the scale of its pre-tax profits.

HK profit tax

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the Relevant Periods and the nine months ended 30 September 2024, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 of assessable profits of this subsidiary are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

United States of America corporate income tax

Certain subsidiaries incorporated in USA are subject to the federal corporate tax rate of 21%.

Others

Pursuant to the rules and regulations of the Cayman Islands and BVI, certain subsidiaries incorporated in the Cayman Islands and the BVI are not subject to any income tax.

The income tax expense of the Group for the Relevant Periods and the nine months ended 30 September 2024 is analysed as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Current					
Charge for the					
year/period	139,859	35,801	68,576	61,203	116,686
Deferred (Note 22)	(25,365)	(14,730)	3,306	4,121	(66)
Total	<u>114,494</u>	<u>21,071</u>	<u>71,882</u>	<u>65,324</u>	<u>116,620</u>

A reconciliation of tax expense applicable to profit before tax at the statutory rate for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled and/or operate to the income tax expense at the effective income tax rate for each of the Relevant Periods and the nine months ended 30 September 2024 is as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Profit before tax	1,413,866	472,219	1,412,617	1,041,703	1,692,985
Tax at the PRC corporate income tax rate of 25%	353,466	118,055	353,154	260,426	423,246
Effect of preferential and different tax rate	(227,919)	(90,187)	(302,035)	(190,001)	(343,895)
Adjustments in respect of current tax of previous years	(5,384)	5,430	(8,893)	(8,893)	(8,288)
Income not subject to tax	(9,252)	(6,232)	(1,958)	(652)	(404)
Expenses not deductible for tax	2,594	1,289	2,071	2,285	3,310
Effect of tax rate changes on opening deferred tax balance*	7,628	(3,238)	8,315	–	–
Utilization of previously unrecognized deferred tax assets related to tax losses	(1,989)	–	–	–	(20,129)
Tax losses and temporary differences not recognized	17,547	28,356	42,665	11,727	87,037
Research and development super deduction	(22,197)	(32,402)	(21,437)	(9,568)	(24,257)
Tax charge at the Group's effective rate.	<u>114,494</u>	<u>21,071</u>	<u>71,882</u>	<u>65,324</u>	<u>116,620</u>

* Adjustments to deferred tax assets by subsidiaries of the Group based on the income tax rates expected to apply in future reversal periods.

11. DIVIDENDS

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Interim – (2025: CNY0.20 per ordinary share) . . .	–	–	–	–	226,856
Final – (2022: CNY0.30; 2023: CNY0.30; 2024: CNY0.39 per ordinary share)	<u>341,402</u>	<u>338,193</u>	<u>443,140</u>	<u>–</u>	<u>–</u>
	<u>341,402</u>	<u>338,193</u>	<u>443,140</u>	<u>–</u>	<u>226,856</u>

The proposed final dividends for the years of 2022, 2023 and 2024 were approved by the Company's shareholders at the annual general meeting. On 29 August 2025, the Company held the 10th meeting of the 3rd board of directors and approved the 2025 Interim Dividend Plan.

12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the profit attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares outstanding during the Relevant Periods and the nine months ended 30 September 2024.

The calculation of basic earnings per share is based on:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
				<i>(Unaudited)</i>	
Earnings					
Profit attributable to ordinary equity holders of the parent (RMB'000).	1,299,378	450,910	1,411,778	978,077	1,632,284
Shares					
Weighted average number of ordinary shares outstanding during the year/period used in the basic earnings per share calculation ('000).	1,129,172	1,133,939	1,129,945	1,129,840	1,135,800
Basic earnings per share (RMB)	1.15	0.40	1.25	0.87	1.44

Diluted earnings per share is calculated based on the profit attributable to ordinary equity holders of the parent for the Relevant Periods and the nine months ended 30 September 2024. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the Relevant Periods and the nine months ended 30 September 2024, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at the exercise price on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculation of diluted earnings per share is based on:

Earnings per share	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
				<i>(Unaudited)</i>	
Adjustments for the restricted A-shares ('000)	4,936	3,524	1,134	850	5,509
Adjusted weighted average number of ordinary shares outstanding during the year/period used in the diluted earnings per share calculation ('000).	1,134,108	1,137,463	1,131,079	1,130,690	1,141,309
Diluted earnings per share (RMB)	1.15	0.40	1.25	0.87	1.43

13. PROPERTY, PLANT AND EQUIPMENT

The Group

	Buildings	Furniture, fixture and device	Motor vehicle	Leasehold improvements	Photomask	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
31 December 2022							
At 1 January 2022:							
Cost	–	103,785	2,087	7,160	–	988,023	1,101,055
Accumulated depreciation.	–	(66,371)	(853)	(4,143)	–	–	(71,367)
Net carrying amount	–	37,414	1,234	3,017	–	988,023	1,029,688
At 1 January 2022, net of accumulated depreciation	–	37,414	1,234	3,017	–	988,023	1,029,688
Additions	–	28,679	–	490	49,302	102,544	181,015
Depreciation provided during the year	(2,310)	(22,853)	(522)	(1,618)	–	–	(27,303)
Transfers	475,224	3,112	–	–	–	(1,028,708)	(550,372)
Exchange realignment	–	523	–	–	–	–	523
At 31 December 2022, net of accumulated depreciation	472,914	46,875	712	1,889	49,302	61,859	633,551
At 31 December 2022:							
Cost	475,224	132,618	2,087	7,650	49,302	61,859	728,740
Accumulated depreciation.	(2,310)	(85,743)	(1,375)	(5,761)	–	–	(95,189)
Net carrying amount	472,914	46,875	712	1,889	49,302	61,859	633,551

The Group

	Buildings	Freehold Land	Furniture, fixture and device	Motor vehicle	Leasehold improvements	Photomask	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
31 December 2023								
At 1 January 2023:								
Cost	475,224	–	132,618	2,087	7,650	49,302	61,859	728,740
Accumulated depreciation	(2,310)	–	(85,743)	(1,375)	(5,761)	–	–	(95,189)
Net carrying amount.	472,914	–	46,875	712	1,889	49,302	61,859	633,551
At 1 January 2023, net of accumulated depreciation	472,914	–	46,875	712	1,889	49,302	61,859	633,551
Additions	37,681	11,292	92,993	–	1,668	56,226	164,940	364,800
Depreciation provided during the year	(16,395)	–	(34,319)	(522)	(1,532)	–	–	(52,768)
Disposals	–	–	(187)	–	–	–	–	(187)
Exchange realignment	282	95	387	–	–	–	–	764
At 31 December 2023, net of accumulated depreciation	494,482	11,387	105,749	190	2,025	105,528	226,799	946,160
At 31 December 2023:								
Cost	513,187	11,387	225,790	2,087	9,362	105,528	226,799	1,094,140
Accumulated depreciation	(18,705)	–	(120,041)	(1,897)	(7,337)	–	–	(147,980)
Net carrying amount.	494,482	11,387	105,749	190	2,025	105,528	226,799	946,160

The Group

	Buildings	Freehold Land	Furniture, fixture and device	Motor vehicle	Leasehold improvements	Photomask	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
31 December 2024								
At 1 January 2024:								
Cost	513,187	11,387	225,790	2,087	9,362	105,528	226,799	1,094,140
Accumulated depreciation	(18,705)	–	(120,041)	(1,897)	(7,337)	–	–	(147,980)
Net carrying amount . . .	<u>494,482</u>	<u>11,387</u>	<u>105,749</u>	<u>190</u>	<u>2,025</u>	<u>105,528</u>	<u>226,799</u>	<u>946,160</u>
At 1 January 2024, net of accumulated depreciation	494,482	11,387	105,749	190	2,025	105,528	226,799	946,160
Additions	3,187	–	34,923	–	1,863	82,893	280,617	403,483
Depreciation provided during the year	(16,782)	–	(51,945)	(190)	(1,131)	(14,066)	–	(84,114)
Exchange realignment . .	498	170	591	–	–	–	–	1,259
At 31 December 2024, net of accumulated depreciation	<u>481,385</u>	<u>11,557</u>	<u>89,318</u>	<u>–</u>	<u>2,757</u>	<u>174,355</u>	<u>507,416</u>	<u>1,266,788</u>
At 31 December 2024:								
Cost	516,878	11,557	259,780	2,087	10,488	188,422	507,416	1,496,628
Accumulated depreciation	(35,493)	–	(170,462)	(2,087)	(7,731)	(14,067)	–	(229,840)
Net carrying amount . . .	<u>481,385</u>	<u>11,557</u>	<u>89,318</u>	<u>–</u>	<u>2,757</u>	<u>174,355</u>	<u>507,416</u>	<u>1,266,788</u>

The Group

	Buildings	Freehold Land	Furniture, fixture and device	Motor vehicle	Leasehold improvements	Photomask	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
30 September 2025								
At 1 January 2025:								
Cost	516,878	11,557	259,780	2,087	10,488	188,422	507,416	1,496,628
Accumulated depreciation	(35,493)	–	(170,462)	(2,087)	(7,731)	(14,067)	–	(229,840)
Net carrying amount . . .	<u>481,385</u>	<u>11,557</u>	<u>89,318</u>	<u>–</u>	<u>2,757</u>	<u>174,355</u>	<u>507,416</u>	<u>1,266,788</u>
At 1 January 2025, net of accumulated depreciation	481,385	11,557	89,318	–	2,757	174,355	507,416	1,266,788
Additions	–	–	33,373	–	3,683	73,229	53,333	163,618
Depreciation provided during the period	(15,776)	–	(40,710)	–	(1,176)	(25,771)	–	(83,433)
Transfers	163,885	–	–	–	–	–	(34,107)	129,778
Disposals	(192)	–	(765)	–	–	–	–	(957)
Exchange realignment . .	(578)	(133)	(408)	–	(7)	–	–	(1,126)
At 30 September 2025, net of accumulated depreciation	<u>628,724</u>	<u>11,424</u>	<u>80,808</u>	<u>–</u>	<u>5,257</u>	<u>221,813</u>	<u>526,642</u>	<u>1,474,668</u>
At 30 September 2025:								
Cost	688,058	11,424	288,413	2,087	13,254	261,651	526,642	1,791,529
Accumulated depreciation	(59,334)	–	(207,605)	(2,087)	(7,997)	(39,838)	–	(316,861)
Net carrying amount . . .	<u>628,724</u>	<u>11,424</u>	<u>80,808</u>	<u>–</u>	<u>5,257</u>	<u>221,813</u>	<u>526,642</u>	<u>1,474,668</u>

The Company

	Buildings	Furniture, fixture and device	Motor vehicle	Leasehold improvements	Photomask	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
31 December 2022							
At 1 January 2022:							
Cost	–	63,839	1,130	6,445	–	421,782	493,196
Accumulated depreciation.	–	(44,583)	(494)	(6,386)	–	–	(51,463)
Net carrying amount . . .	–	19,256	636	59	–	421,782	441,733
At 1 January 2022, net of accumulated depreciation .	–	19,256	636	59	–	421,782	441,733
Additions	–	10,033	–	–	49,302	19,823	79,158
Depreciation provided during the year	(549)	(11,665)	(283)	(59)	–	–	(12,556)
Transfers	109,988	3,112	–	–	–	(441,605)	(328,505)
At 31 December 2022, net of accumulated depreciation	109,439	20,736	353	–	49,302	–	179,830
At 31 December 2022:							
Cost	109,988	73,240	1,130	–	49,302	–	233,660
Accumulated depreciation.	(549)	(52,504)	(777)	–	–	–	(53,830)
Net carrying amount . . .	109,439	20,736	353	–	49,302	–	179,830

The Company

	Buildings	Furniture, fixture and device	Motor vehicle	Photomask	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
31 December 2023					
At 1 January 2023:					
Cost	109,988	73,240	1,130	49,302	233,660
Accumulated depreciation	(549)	(52,504)	(777)	–	(53,830)
Net carrying amount . . .	109,439	20,736	353	49,302	179,830
At 1 January 2023, net of accumulated depreciation	109,439	20,736	353	49,302	179,830
Additions	466	17,425	–	38,137	56,028
Depreciation provided during the year	(4,274)	(14,548)	(282)	–	(19,104)
At 31 December 2023, net of accumulated depreciation	105,631	23,613	71	87,439	216,754
At 31 December 2023:					
Cost	110,454	90,665	1,130	87,439	289,688
Accumulated depreciation	(4,823)	(67,052)	(1,059)	–	(72,934)
Net carrying amount . . .	105,631	23,613	71	87,439	216,754

The Company

	Buildings	Furniture, fixture and device	Motor vehicle	Photomask	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
31 December 2024					
At 1 January 2024:					
Cost	110,454	90,665	1,130	87,439	289,688
Accumulated depreciation	(4,823)	(67,052)	(1,059)	–	(72,934)
Net carrying amount . . .	<u>105,631</u>	<u>23,613</u>	<u>71</u>	<u>87,439</u>	<u>216,754</u>
At 1 January 2024, net of accumulated depreciation	105,631	23,613	71	87,439	216,754
Additions	1,597	15,243	–	71,233	88,073
Depreciation provided during the year	(4,238)	(14,448)	(71)	(13,934)	(32,691)
Disposals	–	–	–	(17,445)	(17,445)
At 31 December 2024, net of accumulated depreciation	<u>102,990</u>	<u>24,408</u>	<u>–</u>	<u>127,293</u>	<u>254,691</u>
At 31 December 2024:					
Cost	112,051	105,224	1,130	141,227	359,632
Accumulated depreciation	(9,061)	(80,816)	(1,130)	(13,934)	(104,941)
Net carrying amount . . .	<u>102,990</u>	<u>24,408</u>	<u>–</u>	<u>127,293</u>	<u>254,691</u>

The Company

	Buildings	Furniture, fixture and device	Motor vehicle	Leasehold improvements	Photomask	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
30 September 2025						
At 1 January 2025:						
Cost	112,051	105,224	1,130	–	141,227	359,632
Accumulated depreciation	(9,061)	(80,816)	(1,130)	–	(13,934)	(104,941)
Net carrying amount . . .	<u>102,990</u>	<u>24,408</u>	<u>–</u>	<u>–</u>	<u>127,293</u>	<u>254,691</u>
At 1 January 2025, net of accumulated depreciation	102,990	24,408	–	–	127,293	254,691
Additions	–	13,317	–	371	10,174	23,862
Depreciation provided during the period.	(3,482)	(10,980)	–	(62)	(21,355)	(35,879)
Disposals	(52)	(405)	–	–	–	(457)
At 30 September 2025, net of accumulated depreciation	<u>99,456</u>	<u>26,340</u>	<u>–</u>	<u>309</u>	<u>116,112</u>	<u>242,217</u>
At 30 September 2025:						
Cost	111,998	116,224	1,130	371	151,401	381,124
Accumulated depreciation	(12,542)	(89,884)	(1,130)	(62)	(35,289)	(138,907)
Net carrying amount . . .	<u>99,456</u>	<u>26,340</u>	<u>–</u>	<u>309</u>	<u>116,112</u>	<u>242,217</u>

14. INVESTMENT PROPERTIES

The Group

	Buildings
	<i>RMB'000</i>
At 1 January 2022:	
Cost	–
Accumulated depreciation	–
Net carrying amount	–
At 1 January 2022, net of accumulated depreciation	–
Additions	542,874
Depreciation provided during the year	–
At 31 December 2022, net of accumulated depreciation	542,874
At 31 December 2022 and 1 January 2023:	
Cost	542,874
Accumulated depreciation	–
Net carrying amount	542,874
At 1 January 2023, net of accumulated depreciation	542,874
Additions	2,135
Depreciation provided during the year	(14,538)
At 31 December 2023, net of accumulated depreciation	530,471
At 31 December 2023 and 1 January 2024:	
Cost	545,009
Accumulated depreciation	(14,538)
Net carrying amount	530,471
At 1 January 2024, net of accumulated depreciation	530,471
Additions	3,231
Depreciation provided during the year	(14,674)
At 31 December 2024, net of accumulated depreciation	519,028
At 31 December 2024 and 1 January 2025:	
Cost	548,240
Accumulated depreciation	(29,212)
Net carrying amount	519,028
At 1 January 2025, net of accumulated depreciation	519,028
Transfers	(129,946)
Disposals	(192)
Depreciation provided during the period	(9,186)
At 30 September 2025, net of accumulated depreciation	379,704
At 30 September 2025:	
Cost	410,022
Accumulated depreciation	(30,318)
Net carrying amount	379,704

The Company

	Buildings
	<i>RMB'000</i>
At 1 January 2022:	
Cost	—
Accumulated depreciation	—
Net carrying amount	—
At 1 January 2022, net of accumulated depreciation	—
Additions	327,369
Depreciation provided during the year	—
At 31 December 2022, net of accumulated depreciation	327,369
At 31 December 2022 and 1 January 2023:	
Cost	327,369
Accumulated depreciation	—
Net carrying amount	327,369
At 1 January 2023, net of accumulated depreciation	327,369
Additions	1,364
Depreciation provided during the year	(8,914)
At 31 December 2023, net of accumulated depreciation	319,819
At 31 December 2023 and 1 January 2024:	
Cost	328,733
Accumulated depreciation	(8,914)
Net carrying amount	319,819
At 1 January 2024, net of accumulated depreciation	319,819
Additions	2,376
Depreciation provided during the year	(9,038)
At 31 December 2024, net of accumulated depreciation	313,157
At 31 December 2024 and 1 January 2025:	
Cost	331,109
Accumulated depreciation	(17,952)
Net carrying amount	313,157
At 1 January 2025, net of accumulated depreciation	313,157
Disposals	(123)
Depreciation provided during the period	(6,724)
At 30 September 2025, net of accumulated depreciation	306,310
At 30 September 2025:	
Cost	330,986
Accumulated depreciation	(24,676)
Net carrying amount	306,310

15. LEASES

The Group as a lessee

The Group has lease contracts for items of office premises used in its operations. Lump sum payments were made upfront to acquire the leased land from the owners with lease periods of 50 years, and no ongoing payments will be made under the terms of these land leases. Leases of office premises generally have lease terms between 13 months and 6 years. Generally, the Group is restricted from assigning and subleasing the leased office premises outside the Group.

(a) *Right-of-use assets*

The carrying amounts of the Group's right-of-use assets and the movements during the Relevant Periods are as follows:

	Office premises	Leasehold land	Total
	RMB'000	RMB'000	RMB'000
As at 1 January 2022	26,256	79,785	106,041
Additions	1	–	1
Depreciation charge	(12,016)	(1,598)	(13,614)
Exchange realignment	286	–	286
As at 31 December 2022 and 1 January 2023 . . .	14,527	78,187	92,714
Additions	9,628	–	9,628
Depreciation charge	(14,113)	(1,598)	(15,711)
Exchange realignment	57	–	57
As at 31 December 2023 and 1 January 2024 . . .	10,099	76,589	86,688
Additions	49,457	–	49,457
Depreciation charge	(14,778)	(1,598)	(16,376)
Exchange realignment	75	–	75
As at 31 December 2024 and 1 January 2025 . . .	44,853	74,991	119,844
Additions	12,086	–	12,086
Revision of a lease term arising from a change in the non-cancellable period of a lease	(7,353)	–	(7,353)
Depreciation charge	(11,690)	(1,199)	(12,889)
Exchange realignment	(90)	–	(90)
As at 30 September 2025	37,806	73,792	111,598

(b) *Lease liabilities*

The carrying amounts of lease liabilities and the movements during the Relevant Periods are as follows:

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Carrying amount at beginning of year/period	32,855	20,713	15,490	44,756
New leases	1	9,628	49,457	12,086
Accretion of interest recognised during the year/period	1,032	742	1,513	1,346
Payments	(13,335)	(15,790)	(21,421)	(12,521)
Revision of a lease term arising from a change in the non-cancellable period of a lease	—	—	—	(7,353)
Exchange realignment	160	197	(283)	(112)
Carrying amount at end of year/period	<u>20,713</u>	<u>15,490</u>	<u>44,756</u>	<u>38,202</u>
Analysed into:				
Current portion	11,894	13,285	15,957	15,680
Non-current portion	8,819	2,205	28,799	22,522
	<u>20,713</u>	<u>15,490</u>	<u>44,756</u>	<u>38,202</u>
Analysed into:				
Within one year	11,894	13,285	15,957	15,680
In the second year	8,819	1,788	12,121	12,096
In the third to fifth years, inclusive	—	417	16,678	10,426
Total	<u>20,713</u>	<u>15,490</u>	<u>44,756</u>	<u>38,202</u>

(c) The amounts recognised in profit or loss in relation to leases are as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Interest on lease liabilities	(1,032)	(742)	(1,513)	(1,022)	(1,346)
Depreciation charge of right-of-use assets	(12,016)	(14,113)	(14,778)	(11,054)	(11,690)
Expense relating to short-term leases and leases of low-value assets	(12,076)	(6,518)	(7,759)	(5,321)	(5,524)
Total amount recognised in profit or loss	<u>(25,124)</u>	<u>(21,373)</u>	<u>(24,050)</u>	<u>(17,397)</u>	<u>(18,560)</u>

(d) The total cash outflows for leases are disclosed in note 34(c) to the Historical Financial Information.

The Group as a lessor

The Group leases its investment properties (note 14) under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. Rental income recognised by the Group was RMB1,046,000, RMB7,597,000, RMB10,141,000, RMB7,515,000, and RMB8,749,000 (unaudited) during the Relevant Periods and the nine months ended 30 September 2024, details of which are included in note 5 to the Historical Financial Information.

The undiscounted lease payments receivable by the Group in future periods under noncancellable operating leases with its tenants during the Relevant Periods are as follows:

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Within one year	4,239	9,543	9,703	8,548
After one year but within two years	5,055	9,703	9,030	8,211
After two years but within three years	5,107	9,030	7,950	7,871
After three years but within four years	4,326	7,950	6,717	4,839
After four years but within five years	4,161	6,717	4,914	4,055
After five years	16,273	11,902	6,988	3,715
Total	<u>39,161</u>	<u>54,845</u>	<u>45,302</u>	<u>37,239</u>

16. OTHER INTANGIBLE ASSETS

The Group

	Licensed IPs	Software	Total
	RMB'000	RMB'000	RMB'000
31 December 2022			
At 1 January 2022:			
Cost	82,201	3,300	85,501
Accumulated amortisation.	(37,498)	(3,183)	(40,681)
Net carrying amount	<u>44,703</u>	<u>117</u>	<u>44,820</u>
At 1 January 2022, net of accumulated amortisation	44,703	117	44,820
Additions	16,211	3,011	19,222
Amortisation provided during the year	(10,722)	(426)	(11,148)
At 31 December 2022, net of accumulated amortisation	<u>50,192</u>	<u>2,702</u>	<u>52,894</u>
At 31 December 2022:			
Cost	98,412	6,311	104,723
Accumulated amortisation.	(48,220)	(3,609)	(51,829)
Net carrying amount	<u>50,192</u>	<u>2,702</u>	<u>52,894</u>

	Licensed IPs	Software	Total
	RMB'000	RMB'000	RMB'000
31 December 2023			
At 1 January 2023:			
Cost	98,412	6,311	104,723
Accumulated amortisation.	(48,220)	(3,609)	(51,829)
Net carrying amount	<u>50,192</u>	<u>2,702</u>	<u>52,894</u>
At 1 January 2023, net of accumulated amortisation	50,192	2,702	52,894
Additions	25,537	3,698	29,235
Amortisation provided during the year	<u>(20,015)</u>	<u>(1,217)</u>	<u>(21,232)</u>
At 31 December 2023, net of accumulated amortisation	<u>55,714</u>	<u>5,183</u>	<u>60,897</u>
At 31 December 2023:			
Cost	123,949	10,009	133,958
Accumulated amortisation.	(68,235)	(4,826)	(73,061)
Net carrying amount	<u>55,714</u>	<u>5,183</u>	<u>60,897</u>
31 December 2024			
At 1 January 2024:			
Cost	123,949	10,009	133,958
Accumulated amortisation.	(68,235)	(4,826)	(73,061)
Net carrying amount	<u>55,714</u>	<u>5,183</u>	<u>60,897</u>
At 1 January 2024, net of accumulated amortisation	55,714	5,183	60,897
Additions	20,929	1,401	22,330
Amortisation provided during the year	<u>(22,623)</u>	<u>(1,839)</u>	<u>(24,462)</u>
At 31 December 2024, net of accumulated amortisation	<u>54,020</u>	<u>4,745</u>	<u>58,765</u>
At 31 December 2024:			
Cost	134,357	11,410	145,767
Accumulated amortisation.	(80,337)	(6,665)	(87,002)
Net carrying amount	<u>54,020</u>	<u>4,745</u>	<u>58,765</u>
30 September 2025			
At 1 January 2025:			
Cost	134,357	11,410	145,767
Accumulated amortisation.	(80,337)	(6,665)	(87,002)
Net carrying amount	<u>54,020</u>	<u>4,745</u>	<u>58,765</u>
At 1 January 2025, net of accumulated amortisation	54,020	4,745	58,765
Additions	5,075	830	5,905
Amortisation provided during the period.	<u>(17,387)</u>	<u>(1,381)</u>	<u>(18,768)</u>
At 30 September 2025, net of accumulated amortisation	<u>41,708</u>	<u>4,194</u>	<u>45,902</u>
At 30 September 2025:			
Cost	139,432	11,861	151,293
Accumulated amortisation.	(97,724)	(7,667)	(105,391)
Net carrying amount	<u>41,708</u>	<u>4,194</u>	<u>45,902</u>

The Company

	Licensed IPs	Software	Total
	RMB'000	RMB'000	RMB'000
31 December 2022			
At 1 January 2022:			
Cost	50,591	616	51,207
Accumulated amortisation.	(27,492)	(503)	(27,995)
Net carrying amount	<u>23,099</u>	<u>113</u>	<u>23,212</u>
At 1 January 2022, net of accumulated amortisation	23,099	113	23,212
Additions	4,007	1,868	5,875
Amortisation provided during the year	(5,636)	(197)	(5,833)
At 31 December 2022, net of accumulated amortisation	<u>21,470</u>	<u>1,784</u>	<u>23,254</u>
At 31 December 2022:			
Cost	54,598	2,484	57,082
Accumulated amortisation.	(33,128)	(700)	(33,828)
Net carrying amount	<u>21,470</u>	<u>1,784</u>	<u>23,254</u>
31 December 2023			
At 1 January 2023:			
Cost	54,598	2,484	57,082
Accumulated amortisation.	(33,128)	(700)	(33,828)
Net carrying amount	<u>21,470</u>	<u>1,784</u>	<u>23,254</u>
At 1 January 2023, net of accumulated amortisation	21,470	1,784	23,254
Additions	–	1,983	1,983
Amortisation provided during the year	(6,473)	(643)	(7,116)
At 31 December 2023, net of accumulated amortisation	<u>14,997</u>	<u>3,124</u>	<u>18,121</u>
At 31 December 2023:			
Cost	54,545	4,467	59,012
Accumulated amortisation.	(39,548)	(1,343)	(40,891)
Net carrying amount	<u>14,997</u>	<u>3,124</u>	<u>18,121</u>
31 December 2024			
At 1 January 2024:			
Cost	54,545	4,467	59,012
Accumulated amortisation.	(39,548)	(1,343)	(40,891)
Net carrying amount	<u>14,997</u>	<u>3,124</u>	<u>18,121</u>
At 1 January 2024, net of accumulated amortisation	14,997	3,124	18,121
Additions	1,702	1,255	2,957
Amortisation provided during the year	(6,670)	(1,195)	(7,865)
At 31 December 2024, net of accumulated amortisation	<u>10,029</u>	<u>3,184</u>	<u>13,213</u>
At 31 December 2024:			
Cost	56,247	5,722	61,969
Accumulated amortisation.	(46,218)	(2,538)	(48,756)
Net carrying amount	<u>10,029</u>	<u>3,184</u>	<u>13,213</u>

	Licensed IPs	Software	Total
	RMB'000	RMB'000	RMB'000
30 September 2025			
At 1 January 2025:			
Cost	56,247	5,722	61,969
Accumulated amortisation	(46,218)	(2,538)	(48,756)
Net carrying amount	<u>10,029</u>	<u>3,184</u>	<u>13,213</u>
At 1 January 2025, net of accumulated amortisation	10,029	3,184	13,213
Additions	–	783	783
Amortisation provided during the period	<u>(6,455)</u>	<u>(1,001)</u>	<u>(7,456)</u>
At 30 September 2025, net of accumulated amortisation	<u>3,574</u>	<u>2,966</u>	<u>6,540</u>
At 30 September 2025:			
Cost	56,247	6,356	62,603
Accumulated amortisation	<u>(52,673)</u>	<u>(3,390)</u>	<u>(56,063)</u>
Net carrying amount	<u>3,574</u>	<u>2,966</u>	<u>6,540</u>

17. INVESTMENTS IN ASSOCIATES

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
At the beginning of the year/period	67,911	64,349	70,714	109,225
Additions	–	10,000	45,059	–
Share of losses	<u>(3,562)</u>	<u>(3,635)</u>	<u>(6,548)</u>	<u>(13,611)</u>
At the end of the year/period	<u>64,349</u>	<u>70,714</u>	<u>109,225</u>	<u>95,614</u>

The Group is entitled to appoint one director to each of the following associates: Shenzhen Bixel Photonics Co., LTD., eTopus (Shanghai) Technology Limited and Shanghai Mulan Investment Management Co., Ltd., pursuant to their Articles of Association. The Group thereby obtains the rights to participate in business decisions that significantly impact each entity.

18. EQUITY INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Equity investments designated at fair value through other comprehensive income				
Listed equity investments, at fair value	<u>27,077</u>	<u>22,636</u>	<u>22,271</u>	<u>27,440</u>
Total	<u>27,077</u>	<u>22,636</u>	<u>22,271</u>	<u>27,440</u>

The above equity investments were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.

19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Current				
Structured deposits	1,566,069	1,460,288	1,629,363	427,371
Equity investments	44,021	242,979	154,132	118,478
Total	<u>1,610,090</u>	<u>1,703,267</u>	<u>1,783,495</u>	<u>545,849</u>
Non-current				
Unlisted equity investments, at fair value	396,440	582,868	575,244	561,703
Listed equity investments, at fair value	117,874	—	—	—
Total	<u>514,314</u>	<u>582,868</u>	<u>575,244</u>	<u>561,703</u>

The Company

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Current				
Structured deposits	877,143	1,022,003	792,858	240,743
Total	<u>877,143</u>	<u>1,022,003</u>	<u>792,858</u>	<u>240,743</u>
Non-current				
Unlisted equity investments, at fair value	—	9,000	8,043	15,422
Total	<u>—</u>	<u>9,000</u>	<u>8,043</u>	<u>15,422</u>

The above unlisted equity investments were classified as financial assets at fair value through profit or loss as they were held for trading, or as the Group has not elected to recognise the fair value gain or loss through other comprehensive income.

The structured deposits were issued by banks in mainland China. They were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

20. OTHER NON-CURRENT ASSETS

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Prepayment for property, plant and equipment	24,287	6,203	—	—
Other long-term deferred expenses	5,102	4,198	3,345	3,313
Total	<u>29,389</u>	<u>10,401</u>	<u>3,345</u>	<u>3,313</u>

21. INVESTMENTS IN SUBSIDIARIES

The Company

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Investments, at cost	<u>3,007,860</u>	<u>3,028,017</u>	<u>3,075,299</u>	<u>3,132,745</u>

22. DEFERRED TAX

The Group

The movements in deferred tax assets during the Relevant Periods are as follows:

	Share-based payments	Deferred income	Payroll and welfare payable	Lease liabilities	Losses available for offsetting against future taxable profits	Impairment loss	Accelerated tax depreciation	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2022.	42,196	10,948	1,643	3,472	4,401	4,528	15	574	67,777
Deferred tax									
credited/(charged) to profit									
or loss during the year. . .	822	(512)	3,159	(3,013)	(536)	(308)	54	32,907	32,573
Deferred tax credited to other									
comprehensive income. . .	—	—	—	—	—	—	—	(8)	(8)
Gross deferred tax assets at									
31 December 2022.	<u>43,018</u>	<u>10,436</u>	<u>4,802</u>	<u>459</u>	<u>3,865</u>	<u>4,220</u>	<u>69</u>	<u>33,473</u>	<u>100,342</u>
At 1 January 2023.	43,018	10,436	4,802	459	3,865	4,220	69	33,473	100,342
Deferred tax									
credited/(charged) to profit									
or loss during the year. . .	(831)	3,076	2,659	685	7,716	22,866	447	(33,459)	3,159
Deferred tax charged to other									
comprehensive income. . .	—	—	—	—	—	—	—	396	396
Gross deferred tax assets at									
31 December 2023.	<u>42,187</u>	<u>13,512</u>	<u>7,461</u>	<u>1,144</u>	<u>11,581</u>	<u>27,086</u>	<u>516</u>	<u>410</u>	<u>103,897</u>

	Share-based payments	Deferred income	Payroll and welfare payable	Lease liabilities	Losses available for offsetting against future taxable profits	Impairment loss	Accelerated tax depreciation	Fair value adjustment	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024. . .	42,187	13,512	7,461	1,144	11,581	27,086	516	—	410	103,897
Deferred tax										
(charged)/credited to										
profit or loss during										
the year.	(5,068)	(3,287)	(1,993)	1,598	(6,817)	3,585	1,729	1,433	326	(8,494)
Deferred tax credited										
to other										
comprehensive										
income.	—	—	—	—	—	—	—	—	(396)	(396)
Gross deferred tax										
assets at										
31 December 2024. .	<u>37,119</u>	<u>10,225</u>	<u>5,468</u>	<u>2,742</u>	<u>4,764</u>	<u>30,671</u>	<u>2,245</u>	<u>1,433</u>	<u>340</u>	<u>95,007</u>
At 1 January 2025. . .	37,119	10,225	5,468	2,742	4,764	30,671	2,245	1,433	340	95,007
Deferred tax										
credited/(charged) to										
profit or loss during										
the period.	14,037	(949)	770	1,069	(464)	(7,139)	571	(1,183)	(51)	6,661
Gross deferred tax										
assets at										
30 September 2025. .	<u>51,156</u>	<u>9,276</u>	<u>6,238</u>	<u>3,811</u>	<u>4,300</u>	<u>23,532</u>	<u>2,816</u>	<u>250</u>	<u>289</u>	<u>101,668</u>

The movements in deferred tax liabilities during the Relevant Periods are as follows:

	Fair value adjustment	Right-of-use assets	Accelerated tax depreciation	Unrealised profit	Unrealised gains from equity investments designated at fair value through other comprehensive income	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2022 . .	18,554	3,246	307	741	—	—	22,848
Deferred tax charged/(credited) to profit or loss during the year . . .	10,502	(2,872)	319	(741)	—	—	7,208
Deferred tax charged to other comprehensive income	—	—	—	—	705	—	705
Gross deferred tax liabilities at 31 December 2022 .	<u>29,056</u>	<u>374</u>	<u>626</u>	<u>—</u>	<u>705</u>	<u>—</u>	<u>30,761</u>
At 1 January 2023 . .	29,056	374	626	—	705	—	30,761
Deferred tax charged/(credited) to profit or loss during the year . . .	(18,849)	724	4,584	1,970	—	—	(11,571)
Deferred tax credited to other comprehensive income	—	—	—	—	(705)	—	(705)
Gross deferred tax liabilities at 31 December 2023 .	<u>10,207</u>	<u>1,098</u>	<u>5,210</u>	<u>1,970</u>	<u>—</u>	<u>—</u>	<u>18,485</u>
At 1 January 2024 . .	10,207	1,098	5,210	1,970	—	—	18,485
Deferred tax charged/(credited) to profit or loss during the year . . .	(5,563)	1,582	(1,207)	—	—	—	(5,188)
Deferred tax charged to other comprehensive income	—	—	—	—	726	—	726
Gross deferred tax liabilities at 31 December 2024 .	<u>4,644</u>	<u>2,680</u>	<u>4,003</u>	<u>1,970</u>	<u>726</u>	<u>—</u>	<u>14,023</u>
At 1 January 2025 . .	4,644	2,680	4,003	1,970	726	—	14,023
Deferred tax charged/(credited) to profit or loss during the period . .	7,426	1,023	(1,880)	—	—	26	6,595
Deferred tax charged to other comprehensive income	—	—	—	—	31	—	31
Gross deferred tax liabilities at 30 September 2025 .	<u>12,070</u>	<u>3,703</u>	<u>2,123</u>	<u>1,970</u>	<u>757</u>	<u>26</u>	<u>20,649</u>

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statements of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

The Group

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Net deferred tax assets recognised in the consolidated statements of financial position	92,404	90,578	83,097	90,532
Net deferred tax liabilities recognised in the consolidated statements of financial position . .	<u>22,823</u>	<u>5,166</u>	<u>2,113</u>	<u>9,513</u>

As at 31 December 2022, 2023 and 2024 and 30 September 2025, deferred tax assets have not been recognised in respect of RMB353,191,000, RMB625,815,000, RMB877,225,000 and RMB1,232,821,000 arising in mainland China, respectively, which will expire in one to ten years for offsetting against future taxable profits.

Deferred tax assets have not been recognised in respect of the following items:

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Tax losses	353,191	625,815	877,225	845,591
Deductible temporary differences . .	<u>–</u>	<u>–</u>	<u>–</u>	<u>387,230</u>
	<u>353,191</u>	<u>625,815</u>	<u>877,225</u>	<u>1,232,821</u>

The Company

The movements in deferred tax assets during the Relevant Periods are as follows:

	Share-based payments	Deferred income	Payroll and welfare payable	Lease liabilities	Losses available for offsetting against future taxable profits	Impairment loss	Accelerated tax depreciation	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2022 . .	5,533	5,501	291	–	–	–	15	155	11,495
Deferred tax credited/(charged) to profit or loss during the year . .	<u>89</u>	<u>(387)</u>	<u>102</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>309</u>	<u>(74)</u>	<u>39</u>
Gross deferred tax assets at 31 December 2022	<u>5,622</u>	<u>5,114</u>	<u>393</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>324</u>	<u>81</u>	<u>11,534</u>
At 1 January 2023 . .	5,622	5,114	393	–	–	–	324	81	11,534
Deferred tax credited/(charged) to profit or loss during the year . .	<u>3,403</u>	<u>3,118</u>	<u>244</u>	<u>–</u>	<u>5,047</u>	<u>–</u>	<u>475</u>	<u>(81)</u>	<u>12,206</u>
Gross deferred tax assets at 31 December 2023	<u>9,025</u>	<u>8,232</u>	<u>637</u>	<u>–</u>	<u>5,047</u>	<u>–</u>	<u>799</u>	<u>–</u>	<u>23,740</u>

	Share-based payments	Deferred income	Payroll and welfare payable	Lease liabilities	Losses available for offsetting against future taxable profits	Impairment loss	Accelerated tax depreciation	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024.	9,025	8,232	637	–	5,047	–	799	–	23,740
Deferred tax (charged)/credited to profit or loss during the year	(4,014)	(3,250)	(214)	78	(5,047)	–	(245)	84	(12,608)
Gross deferred tax assets at 31 December 2024.	5,011	4,982	423	78	–	–	554	84	11,132
At 1 January 2025.	5,011	4,982	423	78	–	–	554	84	11,132
Deferred tax credited/(charged) to profit or loss during the period	1,311	958	3,001	(20)	–	1,000	(260)	(50)	5,940
Gross deferred tax assets at 30 September 2025.	6,322	5,940	3,424	58	–	1,000	294	34	17,072

The movements in deferred tax liabilities during the Relevant Periods are as follows:

	Fair value adjustment	Right-of-use assets	Accelerated tax depreciation	Total
	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2022.	71	–	–	71
Deferred tax charged to profit or loss during the year	443	–	751	1,194
Gross deferred tax liabilities at 31 December 2022	514	–	751	1,265
At 1 January 2023.	514	–	751	1,265
Deferred tax charged/(credited) to profit or loss during the year.	686	–	(356)	330
Gross deferred tax liabilities at 31 December 2023	1,200	–	395	1,595
At 1 January 2024.	1,200	–	395	1,595
Deferred tax charged/(credited) to profit or loss during the year.	(1,010)	76	(395)	(1,329)
Gross deferred tax liabilities at 31 December 2024	190	76	–	266
At 1 January 2025.	190	76	–	266
Deferred tax credited to profit or loss during the period	(116)	(20)	–	(136)
Gross deferred tax liabilities 30 September 2025.	74	56	–	130

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statements of financial position. The following is an analysis of the deferred tax balances of the Company for financial reporting purposes:

The Company

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Net deferred tax assets recognised in the statements of financial position	10,269	22,145	10,866	16,942
Net deferred tax liabilities recognised in the statements of financial position	—	—	—	—

23. INVENTORIES

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Raw materials	70,764	106,823	58,271	218,072
Finished goods	602,346	474,749	349,270	399,275
Materials consigned for processing	116,760	129,765	199,434	375,751
	789,870	711,337	606,975	993,098
Provision for impairment of inventories	(51,437)	(228,951)	(254,779)	(197,351)
Total	738,433	482,386	352,196	795,747

24. TRADE RECEIVABLES

The Group

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Trade receivables	323,999	295,728	389,736	570,900
Impairment	(1,620)	(1,474)	(1,945)	(2,696)
Net carrying amount	322,379	294,254	387,791	568,204

The Group's trading terms with its customers are mainly on credit. The credit terms granted generally range from 30 to 60 days. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. The balances of trade receivables are non-interest-bearing.

As at 31 December 2022, 2023, 2024 and 30 September 2025, included in the Group's trade receivables were amounts due from the related parties of RMB2,295,000, RMB1,904,000, RMB86,000 and nil, respectively.

An ageing analysis of the trade receivables as at the end of each of the Relevant Periods, based on the invoice date and net of loss allowance, is as follows:

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year	322,379	294,254	387,791	568,204
Total	<u>322,379</u>	<u>294,254</u>	<u>387,791</u>	<u>568,204</u>

The movements in the loss allowance for impairment of trade receivables are as follows:

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
At beginning of year/period	866	1,620	1,474	1,945
Impairment loss, net	711	(144)	465	759
Exchange realignment	43	(2)	6	(8)
At end of year/period	<u>1,620</u>	<u>1,474</u>	<u>1,945</u>	<u>2,696</u>

The Group applies the simplified approach to provide for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected credit loss provision for all trade receivables. The Group considers the characteristics of the shared credit risk and the aging of the trade receivables to measure the expected credit losses. Majority of the receivables were neither past due nor impaired and relate to diversified customers.

To measure the ECLs, trade receivables have been grouped based on shared credit risk characteristics and the days past due. Forward-looking information was also incorporated. The expected credit loss rates were 0.5%, 0.5%, 0.5% and 0.5% as at 31 December 2022, 2023 and 2024 and 30 September 2025, respectively.

The Company

As at 31 December 2022, 2023, 2024 and 30 September 2025, all of the Company's trade receivables were due from its subsidiaries. Details of the Company's trade receivables are included in note 37.

25. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Prepayments	68,288	3,132	4,394	28,812
Value-added tax recoverable	19,388	55,694	79,456	81,972
Accrued interest income	19,178	69,491	101,420	83,831
Others	7,463	13,819	10,674	41,861
Total	<u>114,317</u>	<u>142,136</u>	<u>195,944</u>	<u>236,476</u>

As at 31 December 2022, 2023 and 2024 and 30 September 2025, included in the Group's prepayments, other receivables and other assets were amounts due from the related parties for trading of RMB46,049,000, RMB664,000, RMB1,327,000 and nil, respectively.

The Company

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Due from subsidiaries for lending . . .	988,892	1,047,892	1,075,892	1,190,034
Due from subsidiaries for trading . . .	235,793	203,498	171,384	264,352
Dividends receivable from subsidiaries	—	—	40,000	—
Accrued interest income	10,918	51,570	67,123	42,216
Value-added tax recoverable	8,884	18,316	25,009	30,851
Others	1,905	5,793	2,989	32,090
Total	<u>1,246,392</u>	<u>1,327,069</u>	<u>1,382,397</u>	<u>1,559,543</u>

26. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSIT*The Group*

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Cash and cash equivalents	<u>5,833,750</u>	<u>5,665,880</u>	<u>6,698,932</u>	<u>8,771,934</u>
Pledged deposits	<u>17,510</u>	<u>8,204</u>	<u>42,945</u>	<u>42,945</u>
Denominated in:				
<i>Cash and cash equivalents</i>				
RMB	2,570,697	2,452,840	2,582,085	3,279,094
USD	3,258,478	3,207,305	4,085,675	5,463,489
HKD	933	803	27,452	26,802
MOP	1,277	3,597	2,486	1,362
KRW	2,361	1,331	1,230	1,187
Others	4	4	4	—
	<u>5,833,750</u>	<u>5,665,880</u>	<u>6,698,932</u>	<u>8,771,934</u>
<i>Pledged deposits for guarantee</i>				
RMB	<u>17,510</u>	<u>8,204</u>	<u>42,945</u>	<u>42,945</u>

The RMB is not freely convertible into other currencies, however, under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earn interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default. The carrying amounts of the cash and cash equivalents approximated to their fair values.

The Company

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Cash and cash equivalents	<u>1,816,394</u>	<u>1,337,144</u>	<u>1,313,662</u>	<u>1,375,226</u>
Denominated in:				
RMB	1,805,127	1,246,852	1,294,860	1,369,976
USD	11,267	90,292	18,802	5,250
Total	<u>1,816,394</u>	<u>1,337,144</u>	<u>1,313,662</u>	<u>1,375,226</u>

27. TRADE PAYABLES

Trade payables are non-interest bearing and normally settled on terms of 30-60 days. An ageing analysis of the trade payables as at the end of each of the Relevant Periods, based on the invoice date, is as follows:

The Group

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year.	197,166	131,115	211,154	304,965
Total	<u>197,166</u>	<u>131,115</u>	<u>211,154</u>	<u>304,965</u>

As at 31 December 2022, 2023, 2024 and 30 September 2025, included in the Group's trade payables were amounts due to the related parties of nil, RMB1,404,000, nil and nil, respectively.

The Company

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year.	61,256	28,372	864	13,150
Total	<u>61,256</u>	<u>28,372</u>	<u>864</u>	<u>13,150</u>

As at 31 December 2022, 2023, 2024 and 30 September 2025, included in the Company's trade payables were amounts due to the subsidiaries of RMB56,803,000, RMB25,996,000, nil and nil, respectively.

28. OTHER PAYABLES AND ACCRUALS*The Group*

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Payroll and welfare payable.	207,941	165,557	260,689	579,413
Dividends payable.	–	–	–	226,856
Payables for purchase of property, plant and equipment	41,099	18,481	104,155	48,647
Warranty	5,977	4,183	6,200	8,181
Professional services and consulting fees	8,779	4,456	3,667	7,705
Deposits	1,054	2,712	2,728	3,153
Others	26,322	31,560	16,821	37,206
	<u>291,172</u>	<u>226,949</u>	<u>394,260</u>	<u>911,161</u>
Current	291,172	226,949	374,667	504,338
Non-current.	–	–	19,593	406,823
Total	<u>291,172</u>	<u>226,949</u>	<u>394,260</u>	<u>911,161</u>

Other payables and accruals (non-current) consisted of payroll and welfare payable from cash-settled share-based payment.

The Company

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Payroll and welfare payable	32,562	17,725	62,269	59,657
Dividends payable	—	—	—	226,856
Professional services and consulting fees	4,388	2,931	2,313	7,160
Payables for purchase of property, plant and equipment	15,375	4,990	4,717	1,382
Others	236,595	7,266	16,258	43,937
	<u>288,920</u>	<u>32,912</u>	<u>85,557</u>	<u>338,992</u>
Current	<u>288,920</u>	<u>32,912</u>	<u>85,557</u>	<u>338,992</u>

29. CONTRACT LIABILITIES

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Advances received from customers				
Sales of products	<u>22,731</u>	<u>1,615</u>	<u>22,088</u>	<u>26,925</u>

Contract liabilities of the Group mainly arise from advance payments made by customers for goods yet to be delivered.

30. DEFERRED INCOME*The Group*

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Government grants	<u>87,720</u>	<u>92,378</u>	<u>92,023</u>	<u>94,331</u>

Movements in government grants of the Group during the Relevant Periods are as follows:

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
At beginning of year/period	91,323	87,720	92,378	92,023
Government grants received	10,820	11,520	16,200	22,220
Transfers to other income	(14,423)	(6,862)	(16,555)	(19,912)
At end of year/period	<u>87,720</u>	<u>92,378</u>	<u>92,023</u>	<u>94,331</u>

The Company

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Government grants	51,140	54,882	49,823	59,398

Movements in government grants of the Company during the Relevant Periods are as follows:

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
At beginning of year/period	55,010	51,140	54,882	49,823
Government grants received	8,530	10,320	11,150	10,800
Transfers to other income	(12,400)	(6,578)	(16,209)	(1,225)
At end of year/period	51,140	54,882	49,823	59,398

31. SHARE CAPITAL AND TREASURY SHARES**Shares**

	31 December			30 September
	2022	2023	2024	2025
Issued and fully paid:				
Number of ordinary shares of				
RMB1.00 each	1,134,068,231	1,138,740,286	1,144,789,273	1,145,151,330

A summary of movements in the Company's share capital is as follows:

	Number of shares in issue	Total
		RMB'000
At 1 January 2022.	1,131,306,771	1,131,307
Issue of ordinary shares	2,761,460	2,761
At 31 December 2022 and 1 January 2023.	1,134,068,231	1,134,068
Issue of ordinary shares	4,672,055	4,672
At 31 December 2023 and 1 January 2024.	1,138,740,286	1,138,740
Issue of ordinary shares	6,048,987	6,049
At 31 December 2024 and 1 January 2025.	1,144,789,273	1,144,789
Issue of ordinary shares	362,057	362
At 30 September 2025	1,145,151,330	1,145,151

Treasury shares

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
At beginning of year/period	300,083	300,083	300,031	427,558
Repurchase of A shares	—	300,031	409,057	200,523
Sell treasury shares	—	(300,083)	(281,530)	—
At end of year/period	<u>300,083</u>	<u>300,031</u>	<u>427,558</u>	<u>628,081</u>

32. RESERVES**The Group**

The amounts of the Group's reserves and the movements therein for the years ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2024 and 2025 are presented in the consolidated statements of changes in equity.

(i) Statutory surplus reserve

In accordance with the PRC Company Law and the articles of association of the subsidiaries established in the PRC, the Group is required to allocate 10% of its net profit after tax, as determined under the Chinese Accounting Standards, to the statutory surplus funds until the reserve balance reaches 50% of its registered capital.

(ii) Capital reserve

The capital reserve of the Group included the excess of the consideration received for subscription of the registered capital of the Company and the effect of implementation and unlocking of restricted shares schemes. Details of the movement in capital reserve are set out in the consolidated statements of changes in equity of the Historical Financial Information.

(iii) Fair value reserve of equity investments designated at fair value through other comprehensive income

The fair value reserve of equity investments designated at fair value through other comprehensive income comprises the cumulative loss of equity investment designed as fair value through other comprehensive income, as further explained in Note 18.

(iv) Exchange fluctuation reserve

The exchange fluctuation reserve comprises all foreign exchange differences arising from the translation of the Historical Financial Information for operations outside of mainland China.

(v) Share-based payment reserve

Share-based payment reserve of the Group represents the share-based compensation reserve due to equity-settled share-based payment transactions, details of which are set out in note 33 to the Historical Financial Information.

The Company

The amounts of the Company's reserves and the movements therein for the years ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2025 are presented as follows:

	Share capital	Treasury shares	Capital reserve	Share-based payment reserve	Statutory surplus reserve	Retained earnings	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2022	1,131,307	(300,083)	4,734,782	378,711	184,116	712,234	6,841,067
Profit for the year	—	—	—	—	—	518,418	518,418
Total comprehensive income for the year	—	—	—	—	—	518,418	518,418
Issuance of ordinary shares . .	2,761	—	64,494	—	—	—	67,255
Share-based payments	—	—	—	151,270	—	—	151,270
Distribution to shareholders .	—	—	—	—	—	(338,935)	(338,935)
Transfer from retained earnings	—	—	—	—	51,842	(51,842)	—
As at 31 December 2022 . . .	<u>1,134,068</u>	<u>(300,083)</u>	<u>4,799,276</u>	<u>529,981</u>	<u>235,958</u>	<u>839,875</u>	<u>7,239,075</u>

	Share capital	Treasury shares	Capital reserve	Share-based payment reserve	Statutory surplus reserve	Retained earnings	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2023	1,134,068	(300,083)	4,799,276	529,981	235,958	839,875	7,239,075
Profit for the year	—	—	—	—	—	178,492	178,492
Total comprehensive income for the year	—	—	—	—	—	178,492	178,492
Issuance of ordinary shares . .	4,672	—	112,002	—	—	—	116,674
Share-based payments	—	—	—	122,678	—	—	122,678
Sell treasury shares	—	300,083	(131,549)	—	—	—	168,534
Repurchase of A shares	—	(300,031)	—	—	—	—	(300,031)
Distribution to shareholders .	—	—	—	—	—	(341,402)	(341,402)
Transfer from retained earnings	—	—	—	—	17,849	(17,849)	—
As at 31 December 2023 . . .	<u>1,138,740</u>	<u>(300,031)</u>	<u>4,779,729</u>	<u>652,659</u>	<u>253,807</u>	<u>659,116</u>	<u>7,184,020</u>

	Share capital	Treasury shares	Capital reserve	Share-based payment reserve	Statutory surplus reserve	Retained earnings	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2024	1,138,740	(300,031)	4,779,729	652,659	253,807	659,116	7,184,020
Profit for the year	—	—	—	—	—	327,526	327,526
Total comprehensive income for the year	—	—	—	—	—	327,526	327,526
Issuance of ordinary shares . .	6,049	—	139,096	—	—	—	145,145
Share-based payments	—	—	—	39,256	—	—	39,256
Sell treasury shares	—	281,530	15,230	—	—	—	296,760
Repurchase of A shares	—	(409,057)	—	—	—	—	(409,057)
Distribution to shareholders .	—	—	—	—	—	(338,193)	(338,193)
Transfer from retained earnings	—	—	—	—	32,753	(32,753)	—
As at 31 December 2024 . . .	<u>1,144,789</u>	<u>(427,558)</u>	<u>4,934,055</u>	<u>691,915</u>	<u>286,560</u>	<u>615,696</u>	<u>7,245,457</u>

	Share capital	Treasury shares	Capital reserve	Share-based payment reserve	Statutory surplus reserve	Retained earnings	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2025 . . .	1,144,789	(427,558)	4,934,055	691,915	286,560	615,696	7,245,457
Profit for the period	—	—	—	—	—	428,089	428,089
Total comprehensive income for the period . .	—	—	—	—	—	428,089	428,089
Issuance of ordinary shares	362	—	6,521	—	—	—	6,883
Share-based payments	—	—	—	145,125	—	—	145,125
Repurchase of A shares	—	(200,523)	—	—	—	—	(200,523)
Distribution to shareholders	—	—	—	—	—	(669,996)	(669,996)
As at 30 September 2025 .	<u>1,145,151</u>	<u>(628,081)</u>	<u>4,940,576</u>	<u>837,040</u>	<u>286,560</u>	<u>373,789</u>	<u>6,955,035</u>

33. SHARE-BASED TRANSACTIONS

Restricted Stock Incentive Plan 2019

On 25th November 2019, the second extraordinary general meeting of the Company in 2019 deliberated and adopted the proposal on the Restricted Stock Incentive Plan 2019 (Draft) and its summary. A total of 16,500,000 restricted shares were granted, of which 13,500,000 were granted for the first time and 3,000,000 were reserved; The grant price of the plan is RMB25.00 per share. The incentive targets are the Group's directors, senior management, core technical personnel and other personnel deemed necessary by the board of directors.

On 8th January 2020, the Company convened the 12th meeting of the first board of directors and the 8th meeting of the first board of supervisors, which deliberated and adopted the proposal on the initial grant of restricted shares to incentive recipients. The date of the initial grant of the restricted shares was 8th January 2020 and the number of incentive recipients was 304. On 24th November 2020, the 19th meeting of the first board of directors and the 13th meeting of the first board of supervisors of the company reviewed and adopted the proposal on granting reserved shares to incentive recipients. The grant date of some of the reserved restricted shares was 24th November 2020 and the number of incentive recipients was 164. Under the Restricted Stock Incentive Plan 2019, some employees of the Group have the right to acquire shares in the company with a vesting period of 1-4 years, and the proportion of restricted shares attributable each year from the date of the vesting period is 10%, 20%, 30% and 40%.

Restricted Stock Incentive Plan 2022

On 28th June 2022, the 2021 annual general meeting of the Company deliberated and adopted the proposal on the Restricted Stock Incentive Plan 2022 (Draft) and its summary. A total of 3,250,000 restricted shares were granted, of which 2,600,000 were granted for the first time and 650,000 were reserved. The grant price of the plan is RMB30.00 per share. The incentive targets are those deemed necessary by the board of directors of the Group when the incentive plan is announced, excluding the company's directors, senior management and core technical personnel.

On June 28th, 2022, the Company convened the 8th meeting of the 2nd board of directors and the 7th Meeting of the 2nd board of supervisors to review and adopt the proposal on the initial grant of restricted shares to the incentive recipients of the Restricted Stock Incentive Plan 2022. The initial grant date of the plan is June 28th, 2022, and the number of incentive recipients granted for the first time is 209. On 28th October 2022, the company held the 10th meeting of the 2nd board of directors and the 9th meeting of the 2nd board of supervisors, which deliberated and adopted the proposal on granting reserved restricted shares to the incentive recipients of the Restricted Stock Incentive Plan 2022. The reserved grant date of the plan is 28th October 2022 and the number of incentive recipients is 55. Under the restricted stock incentive plan, some employees of the Group have the right to acquire shares in the company with a vesting period of 1-3 years, and the proportion of restricted shares attributable each year from the start of the vesting period is 25%, 30% and 35%.

Restricted Stock Incentive Plan 2023

On 29th June 2023, the 2022 annual general meeting of the Company deliberated and adopted the proposal on the Restricted Stock Incentive Plan 2023 (Draft) and its summary. A total of 1,973,000 restricted shares were granted, of which 1,578,700 were granted for the first time and 394,300 were reserved for grant. The grant price of the plan is RMB20.00 per share. The incentive targets are those deemed necessary by the board of directors of the Group when the incentive plan is announced, excluding the Company's directors, senior management and core technical personnel.

On June 29th, 2023, the Company convened the 18th meeting of the second board of directors and the 17th meeting of the second board of supervisors to review and adopt the proposal on the initial grant of restricted shares to the incentive recipients of the Restricted Stock Incentive Plan 2023. The initial grant date of the plan is June 29th, 2023, and the number of incentive recipients granted for the first time is 149. On 28th November 2023, the company convened the 21st Meeting of the 2nd board of directors and the 20th meeting of the 2nd board of supervisors, which deliberated and adopted the proposal on reserving and granting restricted shares to incentive recipients under the Restricted Stock Incentive Plan 2023. The grant date of the plan is 28th November 2023 and the number of incentive recipients is 38. Under the above plan, some employees of the Group have the right to acquire shares in the company with a vesting period of 1-3 years and the proportion of restricted shares attributable each year on the start date of the vesting period is 30%, 30% and 40%.

Restricted Stock Incentive Plan 2024

On 19th September 2024, the Company's 2024 third extraordinary general meeting deliberated and adopted the proposal on the Restricted Stock Incentive Plan 2024 (Draft) and its summary. Total of 3,632,800 restricted shares granted for the first time; The grant price of the plan is RMB26.60 per share. The incentive targets are those deemed necessary by the board of directors of the Group when the incentive plan is announced, excluding the Company's directors, senior management and core technical personnel. On 30th October 2024, the Company convened the 4th meeting of the 3rd board of directors and the 4th meeting of the 3rd board of supervisors to review and adopt the proposal on the initial grant of restricted shares to the incentive recipients of the Restricted Stock Incentive Plan 2024. The initial grant date of the plan is 31st October 2024, with the number of incentive recipients granted for the first time being 289. Under the Restricted Stock Incentive Plan 2024, some employees of the group have the right to acquire shares in the Company with a vesting period of 1-3 years, and the proportion of restricted shares attributable each year on the start date of the vesting period is 35%, 35% and 30%.

Core Management Incentive Plan

On 19th September 2024, the third extraordinary general meeting of 2024 of the Company reviewed and adopted the proposals for the board's Core Management Incentive Plan (Draft) and its summary. A total of 11,400,000 restricted shares were granted at a grant price of RMB46.50 per share and a total of 11,400,000 stock appreciation rights were granted at an exercise price of RMB46.50 per share, respectively. The incentive targets are the Company's directors, senior management and core technical personnel.

On 30th October 2024, the Company convened the 4th meeting of the 3rd board of directors and the 4th meeting of the 3rd board of supervisors to review and adopt the proposal on Granting restricted shares and stock appreciation rights to the incentive recipients of the Core Management Incentive Plan of the 3rd board of directors. The date of grant of the plan is 31st October 2024, and the number of incentive recipients granted is 2. Under the above plan, some employees of the Group have the right to acquire shares in the Company and receive cash settlement. The waiting period is 29-41 months, and the proportion of restricted shares vested each year on the start date of the waiting period is 50% and 50%. The stock appreciation rights shall be exercised over two periods, with 50% exercising from April 1, 2027 to December 31, 2027, and 50% exercising from April 1, 2028 to December 31, 2028.

The following restricted A-shares were outstanding under the Restricted Stock Incentive Plans during the Relevant Periods:

Restricted Stock Incentive Plan 2019

	Year ended 31 December		Year ended 31 December		Year ended 31 December		Period ended 30 September	
	2022		2023		2024		2025	
	Weighted average vesting price	Number of restricted A-shares	Weighted average vesting price	Number of restricted A-shares	Weighted average vesting price	Number of restricted A-shares	Weighted average vesting price	Number of restricted A-shares
	<i>RMB per share</i>	<i>'000</i>	<i>RMB per share</i>	<i>'000</i>	<i>RMB per share</i>	<i>'000</i>	<i>RMB per share</i>	<i>'000</i>
At 1 January		12,578		9,219		5,160		—
Forfeited during the year/period	24.28	(598)	23.80	(154)	23.50	(422)	—	—
Exercised during the year/period	24.36	(2,761)	24.06	(3,905)	23.67	(4,738)	—	—
At 31 December/ 30 September		<u>9,219</u>		<u>5,160</u>		<u>—</u>		<u>—</u>

Restricted Stock Incentive Plan 2022

	Year ended 31 December		Year ended 31 December		Year ended 31 December		Period ended 30 September	
	2022		2023		2024		2025	
	Weighted average vesting price	Number of restricted A-shares	Weighted average vesting price	Number of restricted A-shares	Weighted average vesting price	Number of restricted A-shares	Weighted average vesting price	Number of restricted A-shares
	<i>RMB per share</i>	<i>'000</i>	<i>RMB per share</i>	<i>'000</i>	<i>RMB per share</i>	<i>'000</i>	<i>RMB per share</i>	<i>'000</i>
At 1 January		—		3,127		2,297		1,065
Granted during the year/period	29.70	3,250	—	—	—	—	—	—
Forfeited during the year/period	29.70	(123)	29.40	(63)	29.10	(453)	28.71	(826)
Exercised during the year/period	—	—	29.64	(767)	29.10	(779)	—	—
At 31 December/ 30 September		<u>3,127</u>		<u>2,297</u>		<u>1,065</u>		<u>239</u>

Restricted Stock Incentive Plan 2023

	Year ended 31 December		Year ended 31 December		Period ended 30 September	
	2023		2024		2025	
	Weighted average vesting price	Number of restricted A-shares	Weighted average vesting price	Number of restricted A-shares	Weighted average vesting price	Number of restricted A-shares
	<i>RMB per share</i>	<i>'000</i>	<i>RMB per share</i>	<i>'000</i>	<i>RMB per share</i>	<i>'000</i>
At 1 January		—		1,949		1,151
Granted during the year/period	19.94	1,973	—	—	—	—
Forfeited during the year/period	19.70	(24)	19.40	(266)	19.01	(41)
Exercised during the year/period	—	—	19.40	(532)	19.01	(362)
At 31 December/ 30 September		<u>1,949</u>		<u>1,151</u>		<u>748</u>

Restricted Stock Incentive Plan 2024

	Year ended 31 December		Period ended 30 September	
	2024		2025	
	Weighted average vesting price	Number of restricted A-shares	Weighted average vesting price	Number of restricted A-shares
	RMB per share	'000	RMB per share	'000
At 1 January		—		3,541
Granted during the year/period	26.60	3,633	26.21	908
Forfeited during the year/period	26.60	(92)	26.21	(169)
At 31 December/30 September		<u>3,541</u>		<u>4,280</u>

Core Management Incentive Plan (Equity-settled)

	Year ended 31 December		Period ended 30 September	
	2024		2025	
	Weighted average vesting price	Number of restricted A-shares	Weighted average vesting price	Number of restricted A-shares
	RMB per share	'000	RMB per share	'000
At 1 January		—		11,400
Granted during the year/period	46.50	11,400	—	—
At 31 December/30 September		<u>11,400</u>		<u>11,400</u>

The Company used the Black-Scholes Model to determine the fair value of restricted A-shares as of the respective grant dates, which was to be expensed over the relevant vesting periods.

The fair value of the restricted A-shares at the grant date, was determined using a Black-Scholes model. Key assumptions used in determining the fair value were as follows:

	At the grant dates of			
	2022	2023	2024	2025
Risk-free interest rate	1.74%-2.46%	1.93%-2.48%	1.43%-1.64%	1.34%-1.35%
Volatility	50.11%-57.08%	42.28%-50.65%	40.97%-44.75%	40.16%-43.29%
Dividend yield	0%	0%	0%	0%

For the years ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2024 and 2025, the Group recognised equity-settled share-based payment expenses of RMB151,270,000, RMB122,678,000, RMB39,256,000, RMB35,885,000 and RMB145,125,000, respectively.

The stock appreciation rights under the Core Management Incentive Plan during the Relevant Periods:

Core Management Incentive Plan (Cash-settled)

	Year ended 31 December		Period ended 30 September	
	2024		2025	
	Weighted average exercise price	Number of stock appreciation rights	Weighted average exercise price	Number of stock appreciation rights
	RMB per share	'000	RMB per share	'000
At 1 January		—		11,400
Granted during the year/period	46.50	11,400	—	—
At 31 December/30 September		<u>11,400</u>		<u>11,400</u>

The Company used the Black-Scholes Model to determine the fair value of the stock appreciation rights as of the respective reporting dates, which were to be expensed over the relevant vesting periods.

Other than the exercise price mentioned above, significant judgments on parameters, such as risk-free rate, dividend yield and expected volatility, were required to be made by the directors in applying the Black-Scholes Model, which are summarized as below:

	Year ended 31 December	Period ended 30 September
	2024	2025
Share price at reporting dates	RMB67.90	RMB154.80
Exercise price at the vesting date	RMB46.50	RMB46.11
Risk-free interest rate	1.14%-1.19%	1.37%-1.49%
Volatility	42.00%-43.51%	40.70%-41.47%
Dividend yield	0%	0%

For the years ended 31 December 2022, 2023 and 2024 and the nine months ended 30 September 2024 and 2025, the Group recognised cash-settled share-based payment expenses of nil, nil, RMB19,593,000, nil and RMB387,230,000, respectively.

34. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the Relevant Periods and nine months ended 30 September 2024, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB1,000, RMB9,628,000, RMB49,457,000, RMB12,086,000 and RMB39,198,000, respectively, in respect of lease arrangements for office premises.

(b) Changes in liabilities arising from financing activities

	Lease liabilities
	RMB'000
At 1 January 2022	32,855
Changes from financing cash flows	(13,335)
New leases	1
Interest expense	1,032
Exchange realignment	160
At 31 December 2022 and 1 January 2023	20,713
Changes from financing cash flows	(15,790)
New leases	9,628
Interest expense	742
Exchange realignment	197
At 31 December 2023 and 1 January 2024	15,490
Changes from financing cash flows	(21,421)
New leases	49,457
Interest expense	1,513
Exchange realignment	(283)
At 31 December 2024 and 1 January 2025	44,756
Changes from financing cash flows	(12,521)
New leases	12,086
Interest expense	1,346
Revision of a lease term arising from a change in the non-cancellable period of a lease	(7,353)
Exchange realignment	(112)
At 30 September 2025	38,202

	Lease liabilities
	<i>RMB'000</i> <i>(Unaudited)</i>
At 31 December 2023 and 1 January 2024	15,490
Changes from financing cash flows	(17,492)
New leases	39,198
Interest expense	1,022
Exchange realignment	(369)
At 30 September 2024	<u>37,849</u>

(c) **Total cash outflow for leases**

The total cash outflow for leases included in the consolidated statements of cash flows is as follows:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>	<i>RMB'000</i>
Within operating activities	12,076	6,518	7,759	5,321	5,524
Within financing activities	13,335	15,790	21,421	17,492	12,521
Total	<u>25,411</u>	<u>22,308</u>	<u>29,180</u>	<u>22,813</u>	<u>18,045</u>

35. CONTINGENT LIABILITIES

As at the end of each of the Relevant Periods, the Group did not have any material contingent liabilities.

36. COMMITMENTS

The Group had the following contractual commitments at the end of each of the Relevant Periods.

	31 December			30 September
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Capital Commitments	164,000	145,700	145,700	142,100
Contracted, but not provided for:				
Property, plant and equipment	399,176	343,158	85,066	42,487
Total	<u>563,176</u>	<u>488,858</u>	<u>230,766</u>	<u>184,587</u>

37. RELATED PARTY TRANSACTIONS**The Group****(a) Transactions with related parties:**

The Group had the following material transactions carried out with related parties during the Relevant Periods and the nine months ended 30 September 2024:

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(Unaudited)</i>	<i>RMB'000</i>
Sale of products:					
The Intel Group	2,959	18,596	728	728	—
Purchase of goods:					
The Intel Group	939,534	109,763	213,677	193,507	69,425

(b) *Outstanding balances with related parties*

		31 December			30 September
	Notes	2022	2023	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000
Trade related					
Trade receivables					
The Intel Group	24	<u>2,295</u>	<u>1,904</u>	<u>86</u>	<u>N/A*</u>
Trade related					
Prepayments, other receivables and other assets					
The Intel Group	25	<u>46,049</u>	<u>664</u>	<u>1,327</u>	<u>N/A*</u>
Trade related					
Trade payables					
The Intel Group	27	<u>—</u>	<u>1,404</u>	<u>—</u>	<u>N/A*</u>

As at 31 December 2022, 2023 and 2024, the Group's outstanding balances with related parties were all unsecured, interest-free and repayable on demand.

* As of 14 June 2025, The Intel Group (including Intel Corporation and its controlled subsidiaries) is no longer qualified as a related party of the Group.

(c) *Compensation of key management personnel of the Company*

	Year ended 31 December			Nine months ended 30 September	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Fees	1,800	1,800	1,800	1,350	1,230
Salaries, allowances and benefits in kind	9,265	9,341	9,317	6,530	8,186
Performance related bonuses	14,309	12,079	16,383	8,764	12,198
Share-based payments . . .	36,811	19,057	30,994	—	447,536
Total compensation paid to key management personnel	62,185	42,277	58,494	16,644	469,150

Key management personnel includes directors, supervisors and senior management. Further details of directors' and supervisors' emoluments are included in note 8 to the Historical Financial Information.

The Company

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Amounts due from subsidiaries				
Montage Technology Macao				
Commercial Offshore Limited . . .	152,036	—	160,523	488,149
Montxilu Enterprise (Shanghai)				
Co., Ltd.	2,776	—	5,553	2,496
Montage Electronics (Shanghai)				
Co., Ltd.	—	—	56,860	—
Total	154,812	—	222,936	490,645

38. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets

31 December 2022	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets at fair value through profit or loss	2,124,404	–	–	2,124,404
Equity investments designated at fair value through other comprehensive income	–	27,077	–	27,077
Trade receivables	–	–	322,379	322,379
Financial assets included in prepayments, other receivables and other assets	–	–	22,806	22,806
Pledged deposits	–	–	17,510	17,510
Cash and cash equivalents	–	–	5,833,750	5,833,750
Total	<u>2,124,404</u>	<u>27,077</u>	<u>6,196,445</u>	<u>8,347,926</u>

31 December 2023	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets at fair value through profit or loss	2,286,135	–	–	2,286,135
Equity investments designated at fair value through other comprehensive income	–	22,636	–	22,636
Trade receivables	–	–	294,254	294,254
Financial assets included in prepayments, other receivables and other assets	–	–	73,378	73,378
Pledged deposits	–	–	8,204	8,204
Cash and cash equivalents	–	–	5,665,880	5,665,880
Total	<u>2,286,135</u>	<u>22,636</u>	<u>6,041,716</u>	<u>8,350,487</u>

31 December 2024	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets at fair value through profit or loss	2,358,739	–	–	2,358,739
Equity investments designated at fair value through other comprehensive income	–	22,271	–	22,271
Trade receivables	–	–	387,791	387,791
Financial assets included in prepayments, other receivables and other assets	–	–	105,564	105,564
Pledged deposits	–	–	42,945	42,945
Cash and cash equivalents	–	–	6,698,932	6,698,932
Total	<u>2,358,739</u>	<u>22,271</u>	<u>7,235,232</u>	<u>9,616,242</u>

30 September 2025	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets at fair value through profit or loss	1,107,552	—	—	1,107,552
Equity investments designated at fair value through other comprehensive income	—	27,440	—	27,440
Trade receivables	—	—	568,204	568,204
Financial assets included in prepayments, other receivables and other assets	—	—	88,169	88,169
Pledged deposits	—	—	42,945	42,945
Cash and cash equivalents	—	—	8,771,934	8,771,934
Total	<u>1,107,552</u>	<u>27,440</u>	<u>9,471,252</u>	<u>10,606,244</u>

Financial liabilities

31 December 2022	Financial liabilities at amortised cost
	RMB'000
Trade payables	197,166
Financial liabilities included in other payables and accruals	<u>65,427</u>
Total	<u>262,593</u>

31 December 2023	Financial liabilities at amortised cost
	RMB'000
Trade payables	131,115
Financial liabilities included in other payables and accruals	<u>38,426</u>
Total	<u>169,541</u>

31 December 2024	Financial liabilities at amortised cost
	RMB'000
Trade payables	211,154
Financial liabilities included in other payables and accruals	<u>125,604</u>
Total	<u>336,758</u>

30 September 2025	Financial liabilities at amortised cost
	RMB'000
Trade payables	304,965
Financial liabilities included in other payables and accruals	<u>310,502</u>
Total	<u>615,467</u>

39. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, financial assets included in prepayments, other receivables and other assets and accruals approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the unlisted equity investments included in financial assets at fair value through profit or loss have been estimated based on recent market transaction price of the unlisted equity investments.

The fair values of listed equity investments have been valued based on a quoted market price with a discount or lack of marketability since the Group's shares in the listed investee was within a lock-up period. In addition, the Group makes estimates about the discount for illiquidity.

The structured deposits were issued by banks in mainland China. The fair values of the financial assets approximate to their costs plus expected interest.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the head of finance. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the head of finance.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	
	(Level 1) RMB'000	(Level 2) RMB'000	(Level 3) RMB'000	
As at 31 December 2022				
Equity investments designated at fair value through other comprehensive income	27,077	—	—	27,077
Financial assets at fair value through profit or loss	44,021	1,962,509	117,874	2,124,404
	<u>71,098</u>	<u>1,962,509</u>	<u>117,874</u>	<u>2,151,481</u>
As at 31 December 2023				
Equity investments designated at fair value through other comprehensive income	22,636	—	—	22,636
Financial assets at fair value through profit or loss	106,766	2,043,156	136,213	2,286,135
	<u>129,402</u>	<u>2,043,156</u>	<u>136,213</u>	<u>2,308,771</u>

	Fair value measurement using			Total RMB'000
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	
	(Level 1)	(Level 2)	(Level 3)	
	RMB'000	RMB'000	RMB'000	
As at 31 December 2024				
Equity investments designated at fair value through other comprehensive income	22,271	–	–	22,271
Financial assets at fair value through profit or loss	154,132	2,204,607	–	2,358,739
	<u>176,403</u>	<u>2,204,607</u>	<u>–</u>	<u>2,381,010</u>
As at 30 September 2025				
Equity investments designated at fair value through other comprehensive income	27,440	–	–	27,440
Financial assets at fair value through profit or loss	118,478	989,074	–	1,107,552
Total	<u>145,918</u>	<u>989,074</u>	<u>–</u>	<u>1,134,992</u>

The following table is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 31 December 2022 and 31 December 2023:

31 December 2022

Description	Unobservable inputs	Range of inputs	Sensitivity of fair value to the input
Financial assets at fair value through profit or loss	DLOM	9.70%-14.00%	5% increase/decrease in DLOM would result in decrease/increase in fair value by RMB6,592,000

31 December 2023

Description	Unobservable inputs	Range of inputs	Sensitivity of fair value to the input
Financial assets at fair value through profit or loss	DLOM	6.50%-7.50%	5% increase/decrease in DLOM would result in decrease/increase in fair value by RMB7,318,000

During the year ended 31 December 2022, 2023 and nine months ended 30 September 2025, there were no transfers into or out of Level 3 for financial assets.

During the year ended 31 December 2024, the restricted sales period of the equity investment held by the Group has ended, so the fair value measurement of the equity investment has been transferred from Level 3 to Level 1, with a total amount of RMB136,213,000. Except for the equity investment, there were no transfers into or out of Level 3 for financial assets.

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise ordinary shares, lease liabilities and cash and cash equivalents. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

(a) Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies.

The following table demonstrates the sensitivity as at 31 December 2022, 2023 and 2024 and 30 September 2025 to a reasonably possible change in the USD exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the retranslated value of monetary assets and liabilities) and the Group's equity.

	<u>Increase/(decrease) in USD/RMB rate</u>	<u>Increase/(decrease) in profit before tax</u>	<u>Increase/(decrease) in equity</u>
	<i>%</i>	<i>RMB'000</i>	<i>RMB'000</i>
31 December 2022			
If RMB weakens against USD	5	13,118	13,118
If RMB strengthens against USD	(5)	(13,118)	(13,118)
31 December 2023			
If RMB weakens against USD	5	12,802	12,802
If RMB strengthens against USD	(5)	(12,802)	(12,802)
31 December 2024			
If RMB weakens against USD	5	25,802	25,802
If RMB strengthens against USD	(5)	(25,802)	(25,802)
30 September 2025			
If RMB weakens against USD	5	89,681	89,681
If RMB strengthens against USD	(5)	(89,681)	(89,681)

(b) Credit risk

Credit risk is the risk that a counterparty cannot meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables).

The Group trades only with recognised and creditworthy third parties and related parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The carrying amounts of cash and cash equivalents, trade receivables and financial assets included in prepayments, other receivables and other assets included in the consolidated statements of financial position represent the Group's maximum exposure to credit risk in relation to its financial assets as at 31 December 2022, 2023 and 2024 and 30 September 2025. The Group has no other financial assets which carry significant exposure to credit risk.

Further qualitative and quantitative information regarding trade receivables, for which the Group applies the simplified approach in calculating ECLs under IFRS 9, is disclosed in note 24 to the Historical Financial Information.

Apart from trade receivables, all the carrying amounts of financial assets at amortised cost, applying the general approach under IFRS 9, was classified as Stage 1 in terms of ECLs as at 31 December 2022, 2023 and 2024 and 30 September 2025.

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's objective is to maintain a balance for continuity of funding to finance its working capital needs as well as capital expenditure.

The maturity profile of the Group's financial liabilities as at the end of each of the Relevant Periods, based on contractual undiscounted payments, is as follows:

31 December 2022	Within 1 year	Over 1 year	Total
	RMB'000	RMB'000	RMB'000
Trade payables	197,166	—	197,166
Financial liabilities included in other payables and accruals	65,427	—	65,427
Lease liabilities	11,938	9,216	21,154
Total	<u>274,531</u>	<u>9,216</u>	<u>283,747</u>
31 December 2023	Within 1 year	Over 1 year	Total
	RMB'000	RMB'000	RMB'000
Trade payables	131,115	—	131,115
Financial liabilities included in other payables and accruals	38,426	—	38,426
Lease liabilities	13,347	2,405	15,752
Total	<u>182,888</u>	<u>2,405</u>	<u>185,293</u>
31 December 2024	Within 1 year	Over 1 year	Total
	RMB'000	RMB'000	RMB'000
Trade payables	211,154	—	211,154
Financial liabilities included in other payables and accruals	125,604	—	125,604
Lease liabilities	15,958	32,509	48,467
Total	<u>352,716</u>	<u>32,509</u>	<u>385,225</u>
30 September 2025	Within 1 year	Over 1 year	Total
	RMB'000	RMB'000	RMB'000
Trade payables	304,965	—	304,965
Financial liabilities included in other payables and accruals	310,502	—	310,502
Lease liabilities	15,707	24,448	40,155
Total	<u>631,174</u>	<u>24,448</u>	<u>655,622</u>

(d) Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital structure in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirement. No change was made in the objectives, policies or processes for managing capital during the Relevant Periods.

The Group monitors capital using a gearing ratio, which is total liabilities divided by total assets. The Group's policy is to maintain the gearing ratio at a reasonable level.

The gearing ratio as at the end of each of the Relevant Periods was as follows:

	31 December			30 September
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Total liabilities	758,790	490,920	822,406	1,494,539
Total assets	10,686,045	10,697,540	12,218,910	13,751,629
Gearing ratio	7.1%	4.6%	6.7%	10.9%

41. EVENTS AFTER THE RELEVANT PERIODS

The Company convened the 12th meeting of the 3rd board of directors on December 9, 2025, and approved the amendment of certain provisions in the board's Core Management Incentive Plan (Draft) and its summary. The Company intends to convert all 11,400,000 stock appreciation rights previously granted (refer to Note 33) into restricted shares, thereby changing the share-based payment from cash-settled to equity-settled. The above proposal were approved by the shareholders at the Company's 2nd interim shareholders' meeting held on December 26, 2025. According to IFRS 2, the equity-settled share-based payment transaction is measured by reference to the fair value of the equity instruments granted at the modification date. The equity-settled share-based payment transaction is recognised in equity on the modification date to the extent to which goods or services have been received. The liability for the cash-settled share-based payment transaction as at the modification date is derecognised on that date. Any difference between the carrying amount of the liability derecognised and the amount of equity recognised on the modification date is recognised immediately in profit or loss.

The Company announced that its wholly-owned subsidiary, Montage Technology Holdings Company Limited ("Montage Cayman"), a shareholder of XConn Technologies Holdings, Ltd. ("XConn"), has been informed of an acquisition proposal from Marvell Technology, Inc. ("Marvell") to purchase 100% equity in XConn. Through negotiation between the board of Marvell and XConn, an Agreement and Plan of Reorganization was recently executed. Upon deliberation, the Company agreed to the transaction and has entered into a Support Agreement with Marvell. The total consideration for XConn's shareholders is based on a benchmark of US\$540 million, subject to adjustment according to the price adjustment mechanism and allocation of cash and share consideration stipulated in the agreement. As a result, the final total consideration has not yet been determined. Prior to the transaction, Montage Cayman held a fully diluted equity interest of 13.075% in XConn. Upon completion of the transaction, Montage Cayman will no longer hold any equity in XConn.

Recently, the Company has learned that the Antitrust Division of the U.S. Department of Justice commenced a grand jury investigation relating to semiconductors and semiconductor components and requested to produce certain materials, including business records and internal policies, and provide testimony. Following the discussions with the Company's legal advisor on this matter, as of the date of this report, the Company understands that neither the Group nor any of the Company's Directors has been charged with any wrongdoing. As of the date of this report, the Company are of the view, as advised by the Company's legal advisor on this matter and taking into account its

analysis, considering the current stage of the investigation, the Company is not able to predict the timing and outcome, including whether any follow-up actions may be taken against the Group and whether charges will or will not be filed against the Group or others.

42. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of the subsidiaries in respect of any period subsequent to 30 September 2025.

The following information does not form part of the Accountants' Report from Ernst & Young, Certified Public Accountants, Hong Kong, the Company's Reporting Accountants, as set out in Appendix I to this Prospectus, and is included herein for information purpose only. The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this Prospectus and the Accountants' Report set out in Appendix I to this Prospectus.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED 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 has been prepared in accordance with Rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with reference to Accounting Guideline 7 Preparation of Pro Forma Financial Information for inclusion in Investment Circulars issued by the Hong Kong Institute of Certified Public Accountants for illustration purposes only, and is set out here to illustrate the effect of the Global Offering on the consolidated net tangible assets of the Group attributable to owners of the Company as of 30 September 2025 as if the Global Offering had taken place on 30 September 2025.

The 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 had the Global Offering been completed as of 30 September 2025 or any future dates.

	Audited consolidated net tangible assets of the Group attributable to equity holders of the Company as of September 30, 2025	Estimated net proceeds from the Global Offering	Unaudited pro forma adjusted net tangible assets of the Group attributable to the equity holders of the Company as of September 30, 2025	Unaudited pro forma adjusted net tangible assets per Share	
	RMB'000	RMB'000	RMB'000	RMB	Equivalent to HK\$
Based on an Offer Price of HK\$106.89 per H Share	12,223,298	6,198,624	18,421,922	15.20	16.93

Notes:

1. The consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2025 is based on consolidated net assets of the Group attributable to owners of the Company as at 30 September 2025 of RMB12,259,642,000, after netting off other intangible assets of the Group attributable to owners of the Company as at 30 September 2025 of approximately RMB36,344,000.

2. The estimated net proceeds from the Global Offering are based on estimated offer prices of HK\$106.89 per Share, after deduction of underwriting fees and other listing related expenses payable by the Company and do not take into account any share which may be sold and offered upon exercise of the Over-allotment Option.
3. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share are arrived at after adjustments referred to note 2 above and on the basis that 1,212,316,521 shares are in issue, assuming that the Global Offering had been completed on 30 September 2025, without taking into account of any shares which may be allotted and issued upon the exercise of the Over-allotment Option.
4. For the purpose of this unaudited pro forma statement of adjusted consolidated net tangible assets, the balances stated in Renminbi are converted into Hong Kong dollars at an exchange rate of HK\$1 to RMB0.8978. No representation is made that the Hong Kong dollar amounts have been, could have been or may be converted to Renminbi, or vice versa, at that rate or any other rates or at all.
5. The investment properties valued in the property valuation report as set out in Appendix III to this prospectus represented the properties of the Group. The above unaudited pro forma statement of adjusted consolidated net tangible assets does not take into account the surplus arising from the revaluation of the Group's property interests. Revaluation surplus has not been recorded in the Historical Financial Information of the Group and will not be recorded in the consolidated financial statements of the Group in the future periods as the Group's investment properties are stated at cost less accumulated depreciation and impairment losses, if any. If the valuation surplus were recorded in the Group's financial statements, additional annual depreciation of approximately RMB88,000 would be charged against the profit or loss in the future periods.
6. No adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets to reflect any trading results or other transactions of the Group entered into subsequent to 30 September 2025.

**B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**

The following is the text of a report, prepared for inclusion in this document, received from the independent reporting accountants of the Company, Ernst & Young, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this Prospectus.



Ernst & Young
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To the Directors of Montage Technology Co., Ltd.

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Montage Technology Co., Ltd. (the “Company”) and its subsidiaries (hereinafter collectively referred to as 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 consolidated net tangible assets as at 30 September 2025, and related notes as set out on pages II-1 to II-2 of the prospectus dated 30 January 2026 (the “Prospectus”) issued by the Company (the “Unaudited Pro Forma Financial Information”). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described in pages II-1 to II-2 to the prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the global offering of shares of the Company on the Group's financial position as at 30 September 2025 as if the transaction had taken place at 30 September 2025. As part of this process, information about the Group's financial position has been extracted by the Directors from the Group's financial statements for the period ended 30 September 2025, on which an accountants' report 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 (“AG”) 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants (the “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* 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 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 the Unaudited Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the global offering of shares of the Company on unadjusted financial information of the Group as if 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 transaction 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 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 Group, the 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.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Ernst & Young

Certified Public Accountants

Hong Kong

30 January 2026

APPENDIX IIA PROFIT ESTIMATE FOR YEAR ENDED DECEMBER 31, 2025

The estimated consolidated profit attributable to owners of our Company for the year ended December 31, 2025 is set out in “Financial Information — Profit estimate for the year ended December 31, 2025” in this prospectus.

A. BASES

Our Directors have prepared the estimate of the consolidated profit attributable to owners of our Company for the year ended December 31, 2025 (the “**Profit Estimate**”) on the basis of the audited consolidated results of the Group for the nine months ended September 30, 2025 and the unaudited interim condensed consolidated statements for the eleven months ended November 30, 2025, and an estimate of the consolidated results of the Group for the remaining one month ended 31 December 2025.

The Profit Estimate has been prepared on the basis of the accounting policies consistent in all material respects with those currently adopted by our Group as summarised in the Accountants’ Report as set out in Appendix I to this Prospectus.

B. PROFIT ESTIMATE FOR THE YEAR ENDED DECEMBER 31, 2025

Estimated consolidated profit attributable	RMB2.15 billion –
to owners of our Company	2.35 billion

C. LETTER FROM THE REPORTING ACCOUNTANTS

The following is the text of a letter, prepared for the inclusion in this Prospectus, received from our Company's reporting accountants, Ernst & Young, Certified Public Accountants and Registered Public Interest Entity Auditor, in connection with the estimate of the consolidated profit attributable to owners of our Company for the year ended 31 December 2025.



Ernst & Young
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The Board of Directors
Montage Technology Co., Ltd.

China International Capital Corporation Hong Kong Securities Limited
Morgan Stanley Asia Limited
UBS Securities Hong Kong Limited

30 January 2026

Dear Sirs,

Montage Technology Co., Ltd. (“the Company”)

Profit estimate for year ended 31 December 2025

We refer to the estimate of the consolidated profit attributable to equity holders of the Company for the year ended 31 December 2025 (“the Profit Estimate”) set forth in the section headed “Summary” in the prospectus of the Company dated 30 January 2026 (“the Prospectus”).

Directors’ responsibilities

The Profit Estimate has been prepared by the directors of the Company based on the audited consolidated results of the Company and its subsidiaries (collectively referred to as “the Group”) for the nine months ended 30 September 2025 and the unaudited interim condensed consolidated statements for the eleven months ended 30 November 2025, and an estimate of the consolidated results of the Group for the remaining one month ended 31 December 2025.

The Company’s directors are solely responsible for the Profit Estimate.

Our independence and quality control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional 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*, which requires the firm to design, implement and operate a system of quality control including documented policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountants’ responsibilities

Our responsibility is to express an opinion on the accounting policies and calculations of the Profit Estimate based on our procedures.

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 500 *Reporting on Profit Forecasts, Statements of Sufficiency of Working Capital and Statements of Indebtedness* and with reference to Hong Kong Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the HKICPA. Those standards require that we plan and perform our work to obtain reasonable assurance as to whether, so far as the accounting policies and calculations are concerned, the Company’s directors have properly compiled the Profit Estimate in accordance with the bases adopted by the directors and as to whether the Profit Estimate is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Accordingly, we do not express an audit opinion.

Opinion

In our opinion, so far as the accounting policies and calculations are concerned, the Profit Estimate has been properly compiled in accordance with the bases adopted by the directors as set out in Appendix IIA of the Prospectus and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in our accountants' report dated 30 January 2026, the text of which is set out in Appendix I of the Prospectus.

Yours faithfully,

Ernst & Young

Certified Public Accountants

Hong Kong

D. LETTER FROM THE JOINT SPONSORS

The following is the text of a letter, prepared for inclusion in this prospectus by the Joint Sponsors, in connection with the estimate of the consolidated profit attributable to owners of our Company for the year ended December 31, 2025.

The Board of Directors
Montage Technology Co., Ltd. 瀾起科技股份有限公司

January 30, 2026

Dear Sirs,

We refer to the profit estimate of the consolidated profit attributable to owners of Montage Technology Co., Ltd. (the “**Company**”) for the year ended December 31, 2025 (the “**Profit Estimate**”) set forth in the section headed “Financial Information — Profit estimate for the year ended December 31, 2025” in the prospectus of the Company dated January 30, 2026 (the “**Prospectus**”).

The Profit Estimate, for which you as the Directors of the Company are solely responsible for, has been prepared by the Directors of the Company based on the audited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the nine months ended September 30, 2025 and the unaudited interim condensed consolidated statements for the eleven months ended November 30, 2025, and an estimate of the consolidated results of the Group for the remaining one month ended 31 December 2025.

We have discussed with you the bases made by the Directors of the Company as set forth in Appendix IIA to the Prospectus, upon which the Profit Estimate has been made. We have also considered, and relied upon, the letter dated January 30, 2026 addressed to you and us from Ernst & Young, the reporting accountants of the Company (the “**Reporting Accountants**”), regarding the accounting policies and calculations upon which the Profit Estimate has been made.

On the basis of the information comprising the Profit Estimate and on the basis of the accounting policies and calculations adopted by you and reviewed by the Reporting Accountants, we are of the opinion that the Profit Estimate, for which you as the Directors of the Company are solely responsible for, has been made after due and careful enquiry.

Yours faithfully,

For and on behalf of
**China International Capital
Corporation Hong Kong
Securities Limited**
GONG Shu
Managing Director

For and on behalf of
**Morgan Stanley
Asia Limited**
Steven Li
Executive Director

For and on behalf of
**UBS Securities
Hong Kong Limited**
Allan CHU
Managing Director

(in alphabetical order)

The following is the text of a letter and valuation report prepared for the purpose of incorporation in this prospectus received from Savills Valuation and Professional Services (China) Limited, an independent valuer, in connection with their opinion of market value of the Property held by the Group as at 30 November 2025.



The Directors
Montage Technology Co., Ltd.
No. 181 Caobao Road
Xuhui District
Shanghai
PRC

Savills Valuation and
Professional Services (China) Limited
Room 1208, 12/F
1111 King's Road
Taikoo Shing, Hong Kong

January 30, 2026

T: (852) 2801 6100
F: (852) 2530 0756

savills.com

Dear Sirs,

RE: PORTION OF MONTAGE CIRCLE, NO. 181 CAOBAO ROAD, XUHUI DISTRICT, SHANGHAI, THE PEOPLE'S REPUBLIC OF CHINA (THE "PRC") (THE "PROPERTY")

Instructions

In accordance with the instructions from Montage Technology Co., Ltd. (the "Company") for us to value the Property held by the Company and its subsidiaries (hereinafter together referred to as the "Group"), we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we considered necessary for the purpose of providing you with our opinion of market value of the Property as at 30 November 2025 (the "Valuation Date").

Basis of Valuation

Our valuation is our opinion of the market value of the Property concerned which we would define as intended to mean "the estimated amount for which an asset or liability should exchange on the Valuation Date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

Moreover, market value is understood as the value of an asset or liability estimated without regard to costs of sale or purchase (or transaction) and without offset for any associated taxes or potential taxes.

Our valuation has been undertaken in accordance with the latest edition of Royal Institution of Chartered Surveyors (“RICS”) Valuation — Global Standards, which incorporates the International Valuation Standards (“IVS”), and, where applicable, the relevant RICS or jurisdictional supplement. We have also complied with the requirements set out in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Identification and Status of the Valuer

The subject valuation exercise is handled by our Mr. Jim Wong, who is Head & Senior Director of Savills Valuation and Professional Services (China) Limited (“SVPSCL”), a RICS Registered Valuer, a PRC Registered Real Estate Appraiser and a member of the China Institute of Real Estate Appraisers (“CIREA”) with over 25 years’ experience in valuation of properties in the PRC, and has sufficient knowledge of the relevant market, the skills and understanding to handle the subject valuation exercise competently.

Prior to your instructions for us to provide this valuation services in respect of the property, SVPSCL and Mr. Jim Wong had not been involved in valuation of the Property in the past 12 months.

We are independent of the Group. We are not aware of any instances which would give rise to potential conflict of interest from SVPSCL and Mr. Jim Wong in the subject exercise. We confirm that SVPSCL and Mr. Jim Wong are in the position to provide objective and unbiased valuation for the Property.

Valuation Methodology

In valuing the Property, we have adopted the income capitalization method on the basis of capitalization of incomes as shown on the schedules handed to us with due allowance for reversionary interest of the Property. We have also adopted direct comparison method by referencing to recent sales transaction to cross-check our valuation derived from the income capitalization method.

Title Investigation

We have been provided with copies of the title documents relating to the property. However, we have not searched the original documents to verify ownership or to ascertain the existence of any amendments which may not appear on the copies provided to us. In the course of our valuation, we have relied to a considerable extent on the information given by the Company and the legal opinion issued by the Group’s legal adviser, Grandall Law Firm (Shanghai) (國浩律師(上海)事務所) (the “Group’s PRC legal adviser”), regarding the title to the Property.

Sustainability and ESG Considerations

ESG criteria are a set of standards which can be used to measure the performance of a business or investment in terms of sustainability. These criteria are increasingly being integrated into real estate valuation. At a property level, this includes environmental and climate impacts, the impact of buildings on the health and well-being of tenants/occupiers and local communities, and how a building is managed to encourage sustainable practices.

Nevertheless, quantifying the impact of ESG on value requires specialized expertise and would take time to become evident. A data-driven analysis is essential to understand how ESG performance translates into value.

In these regards, we are unable to quantify the potential impact of ESG matters, if any, on value, as we are not in the position of an expert on the assessment of sustainability and ESG matters. You are recommended to make further enquiries and/or obtain further specialist or expert advice regarding ESG matters if necessary.

Source of Information

In the course of our valuation, we have relied to a considerable extent on the information given by the Company and have accepted advice given to us on such matters as planning approvals, statutory notices, easements, tenure, particulars of occupancy, tenancy details, site and floor areas, ESG matters (if any) and all other relevant matters. Dimensions, measurements and areas included in the valuation report are based on the information contained in the documents provided to us and are therefore only approximations. No on-site measurements have been taken. We have no reason to doubt the truth and accuracy of the information provided to us by the Company, which is material to our valuation. We have also sought confirmation from the Company that no material facts have been omitted from the information supplied.

Valuation Assumptions

In valuing the Property in the PRC, unless otherwise stated, we prepared our valuation on the basis that transferable land use rights in respect of the Property for their respective specific terms at nominal annual land use fees have been granted and that any land grant premium payable has already been fully paid. Therefore, unless otherwise stated, we have also prepared our valuation on the basis that the owner of the Property has good legal title and has free and uninterrupted rights to occupy, use, transfer, lease or assign the Property for the whole of the respective unexpired terms as granted.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on any Property or for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Property is free from encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

Site Inspection

We have inspected the exterior and where possible, the interior of the Property. Site inspection of the Property was carried out by our Mr. Richard Hong (Senior Associate Director) and Ms. Mia Zhan (Senior Manager) on 9 June 2025. The qualification and experience of Mr. Richard Hong and Ms. Mia Zhan in valuation of property in the PRC are listed as follows:

Mr. Richard Hong is a member of CIREA with over 20 years' experience in valuation of properties in the PRC; and

Ms. Mia Zhan is a member of RICS and CIREA with over 17 years' experience in valuation of properties in the PRC.

During the course of our inspection, we did not note any serious defects. However, no structural survey has been made and we are therefore unable to report whether the Property is free from rot, infestation or any other structural defects. No tests were carried out on any of the services.

Market Conditions Comment

Ongoing political and economic developments continue to create a complex and evolving global landscape. It is therefore important to recognise that our valuation has been prepared against the fluid backdrop outlined above and the local economic environment. Moreover, investor behaviour can change quickly during such periods of volatility. As such, the conclusions set out in this report represent our valuation conclusion at the Valuation Date and we would recommend that the value of the Property is kept under regular review.

Currency

Unless otherwise stated, all money amounts stated are in Renminbi ("RMB").

We enclose herewith our valuation report.

Yours faithfully,

For and on behalf of

Savills Valuation and Professional Services (China) Limited

Jim Wong

MRICS CIREA

Head & Senior Director

Note:

Mr. Jim Wong is a professional surveyor, a RICS Registered Valuer, a PRC Registered Real Estate Appraiser, and a member of CIREA who has over 25 years' experience in valuation of properties in the PRC.

Encl.

VALUATION REPORT

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 30 November 2025
Portion of Montage Circle (和光天地) No. 181 Caobao Road, Xuhui District, Shanghai, PRC	Montage Circle (the “Development”) is a 15-storey office development with 2 basement levels erected on a parcel of land with a site area of approximately 8,268.00 sq.m. It was completed in 2014 and renovated in 2020. The Development is situated along Caobao Road in Xuhui District of Shanghai. Developments in the vicinity are predominantly residential and commercial. It is approximately 3 kilometers away from Shanghai South Railway Station and about 12 kilometers from Hongqiao International Airport and Hongqiao Railway Station. According to the information provided by the Company, the Property comprises portion of the Development with various retail units, office units, car parking spaces (“CPS”) with a total gross floor area (“GFA”) of approximately 12,703.76 sq.m.	As at the Valuation Date, portion of the Property with a total GFA of approximately 5,982.61 sq.m. was subject to various tenancies with the latest one due to expire on 31 March 2033 at a total monthly rental of approximately RMB890,000 exclusive of property management fee and VAT. The remaining portions of the Property was vacant.	RMB381,000,000 (Renminbi Three Hundred and Eighty-One Million)

Details of the gross floor areas and usages of the Property are listed as follows:

Approximate GFA (sq.m.)		
L1	Retail	807.63
L2-L8	Office	8,891.21
B1	CPS	3,004.92
(63 lots)		
Total		<u>12,703.76</u>

The land use rights of the Property have been granted for terms of 40 years for retail use, and 50 years for office use, expiring on 7 April 2051 and 7 April 2061, respectively.

Notes:

1. Pursuant to 21 Real Estate Title Certificates, the building ownership of the Property, with a total gross floor area of approximately 14,825.83 sq.m. are vested in **Montage Technology Co., Ltd.** (瀾起科技股份有限公司) (“Montage Technology”) and Shanghai Xitai Industrial Company Limited (上海奚泰實業有限公司) (“Shanghai Xitai”), a wholly-owned subsidiary of the Company, for terms of 40 years for retail use and 50 years for office use, expiring on 7 April 2051 and 7 April 2061, respectively. Details of the said Certificates are listed as follows:

No.	Certificate No.	Unit	Use	GFA (sq.m.)
1. . .	Hu (2020) Xu Zi Bu Dong Chan Quan Di 022128 Hao	1F	Retail	807.63
2. . .	Hu (2020) Xu Zi Bu Dong Chan Quan Di 022126 Hao	201	Office	548.39
3. . .	Hu (2020) Xu Zi Bu Dong Chan Quan Di 022120 Hao	202	Office	548.68
4. . .	Hu (2020) Xu Zi Bu Dong Chan Quan Di 022130 Hao	301	Office	491.67
5. . .	Hu (2020) Xu Zi Bu Dong Chan Quan Di 022149 Hao	302	Office	396.61
6. . .	Hu (2020) Xu Zi Bu Dong Chan Quan Di 022150 Hao	303	Office	396.82
7. . .	Hu (2020) Xu Zi Bu Dong Chan Quan Di 022131 Hao	304	Office	491.93
8. . .	Hu (2020) Xu Zi Bu Dong Chan Quan Di 022127 Hao	501	Office	491.67
9. . .	Hu (2020) Xu Zi Bu Dong Chan Quan Di 022148 Hao	502	Office	396.61
10. .	Hu (2020) Xu Zi Bu Dong Chan Quan Di 022140 Hao	503	Office	396.82
11. .	Hu (2020) Xu Zi Bu Dong Chan Quan Di 022142 Hao	504	Office	491.93
12. .	Hu (2020) Xu Zi Bu Dong Chan Quan Di 022134 Hao	601	Office	491.67
13. .	Hu (2020) Xu Zi Bu Dong Chan Quan Di 022133 Hao	602	Office	396.61
14. .	Hu Fang Di Xu Zi (2016) Di 017093 Hao	603	Office	396.82
15. .	Hu Fang Di Xu Zi (2016) Di 017047 Hao	604	Office	491.93
16. .	Hu (2020) Xu Zi Bu Dong Chan Quan Di 022146 Hao	701	Office	491.67
17. .	Hu Fang Di Xu Zi (2016) Di 017087 Hao	702	Office	396.61
18. .	Hu Fang Di Xu Zi (2016) Di 017064 Hao	703	Office	396.82
19. .	Hu (2020) Xu Zi Bu Dong Chan Quan Di 022136 Hao	704 & 103 CPS	Office & CPS	5,416.66*
20. .	Hu Fang Di Xu Zi (2016) Di 017048 Hao	901	Office	491.67
21. .	Hu Fang Di Xu Zi (2016) Di 017088 Hao	902	Office	396.61*
		Total		14,825.83

* As advised, the Property comprises only portion of the Real Estate Title Certificates Nos. 19 and 21 as mentioned above, with GFAs of approximately 3,496.85 sq.m. (including Unit 704 & 63 car parking spaces) and 194.35 sq.m., respectively, held for investment purposes.

2. We have been provided with a legal opinion on the title to the Property issued by the Group’s PRC legal adviser, which contains, inter alia, the following:
- Montage Technology and Shanghai Xitai are the legal owners of the Property and are entitled to occupy, use, lease and dispose of the Property; and
 - The Property is free from any mortgages and not subject to any seizure or attachment.
3. In undertaking our valuation of the Property, we have made reference to various market comparable of similar developments which have characteristics comparable to the Property. The unit rates of retail market comparable are in the ranges from RMB38,000 to RMB50,000 per sq.m.; the unit rates of office market comparable are in the ranges from RMB38,800 to RMB50,000 per sq.m.; and the unit rates of CPS market comparable are in the ranges from RMB200,000 to RMB250,000 per lot. Due adjustments to the unit rates of these comparable have been made to reflect factors including but not limited to time, location, size, floor level, building age and building quality in arriving at the key assumption.

In our valuation, we have adopted an average unit rate of approximately RMB38,800 per sq.m. for retail units; an average unit rate of approximately RMB37,900 per sq.m. for office units; and an average unit rate of approximately RMB208,000 per lot for CPS.

This Appendix mainly provides investors with an overview of our Articles of Association. As the following is a summary only, it may not contain all information that is important for investors.

ISSUANCE OF SHARES

The Company shall issue shares in accordance with the principles of openness, fairness, and equality, and each share of the same class shall have the same rights. The issue terms and price per share of the same class in the same issue shall be the same; the same price shall be paid for each share subscribed for by any subscriber.

INCREASE, DECREASE AND REPURCHASE OF SHARES

Increase and Decrease of Shares

The Company may increase its capital in the following ways in light of its business and development needs and in accordance with the laws and regulations, regulatory rules of the place(s) where the shares of the Company are listed and by resolutions made at general meetings:

- (1) offering of shares to unspecified targets;
- (2) offering of shares to specific targets;
- (3) distributing bonus shares to existing shareholders;
- (4) converting provident fund into share capital;
- (5) other means as stipulated by the laws, administrative regulations and the regulatory rules of the place(s) where the Company's shares are listed.

The Company may reduce its registered capital. The Company shall decrease its registered capital in accordance with the procedures set forth in the Company Law and other relevant provisions and the Articles of Association.

Repurchase of Shares

The Company shall not repurchase its shares, except in any of the following circumstances:

- (1) reducing the registered capital of the Company;
- (2) merging with another company that holds the shares of the Company;
- (3) granting the shares for the employee shareholding scheme or as share incentives;

- (4) Shareholders who disagree with the resolutions for the merger and division of the Company made at the general meeting may demand the Company to repurchase their shares;
- (5) using the shares to satisfy the conversion of corporate bonds convertible into the shares issued by the Company;
- (6) it is necessary for the Company to maintain its value and shareholders' equity.

Where the Company repurchases its shares under the circumstances described in items (3), (5) and (6) of the preceding paragraph, it shall be carried out by open and centralized trade.

Where the Company repurchases the shares of the Company due to the circumstances specified in items (1) and (2) of the preceding paragraph, it shall be subject to a resolution made at a general meeting; where the Company repurchases the shares of the Company due to the circumstances specified in items (3), (5) and (6) of the preceding paragraph, it shall be resolved by a Board meeting with the attendance of more than two-thirds of the Directors.

Shares repurchased by the Company under item (1) of the preceding paragraph shall be cancelled within 10 days from the date of repurchase; shares repurchased under items (2) and (4) of the preceding paragraph shall be transferred or cancelled within 6 months thereafter; and all of the shares repurchased in accordance with items (3), (5) and (6) of the preceding paragraph shall not exceed 10% of the total issued shares of the Company, and shall be transferred or cancelled within 3 years.

Transfer of Shares

The shares of the Company shall be transferred according to law.

The transfer of all H Shares shall be effected by a written instrument of transfer (including the standard transfer form or instrument of transfer prescribed by the Hong Kong Stock Exchange from time to time) in the common or usual form or any other form satisfactory to the Board. If the transferor or transferee of the Company's shares is a recognized clearing house (hereinafter referred to as the "Recognized Clearing House") or its nominee as defined in the relevant ordinances of Hong Kong law in force from time to time, the written instrument of transfer may be signed by hand or by mechanical means. All instruments of transfer must be deposited at the registered office of the Company or such other place as the Board may from time to time determine.

The Directors and senior management members of the Company shall report to the Company their shareholdings in the Company and changes therein and shall not transfer more than 25% of the total number of the same class of shares of the Company held by them each year during their terms of office. The shares of the Company held by them shall not be transferred within one year from the date when the shares of the Company are listed and traded. The aforesaid persons shall not transfer the Shares of the Company held by them within six months from the date when they leave office.

For shareholders holding more than 5% of the Shares of the Company, Directors and senior management members sell the Shares held by them or other securities in the nature of equity within six months after buying the same or buy such Shares or securities within six months after selling the same, the earnings arising therefrom shall belong to the Company and the Board shall recover such earnings. However, the restriction shall not apply to a securities company which holds over 5% of the Company's shares as a result of its purchasing and underwriting of the untaken shares in an offer and other circumstances stipulated by the securities regulatory authority under the State Council.

The shares or other securities with an equity nature held by any Director, senior management member or natural person shareholder referred to in the preceding paragraph include the stocks or other securities with an equity nature held by their spouses, parents and children, and held in any other person's account.

If the Board of Directors of the Company fails to comply with the first paragraph of this Article, the shareholders are entitled to request the Board to do so within 30 days. If the Board of Directors of the Company fails to do so within the aforesaid period, the shareholders are entitled to initiate litigation directly before the people's court in their own names for the interests of the Company.

If the Board of Directors of the Company fails to comply with the first paragraph of this Article, the responsible Directors shall be jointly and severally liable in accordance with the law.

SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETINGS

General Provisions of Shareholders

The Company establishes a register of shareholders based on the certificates provided by the securities registration and clearing institution, and the register of shareholders is sufficient evidence proving shareholders' holding of the Company's shares. A shareholder shall enjoy the rights and assume the obligations attached to the class of shares he/she holds. Shareholders holding the same class of shares shall be entitled to the same rights and assume equal obligations. The register of members for H shares kept in Hong Kong shall be available for inspection by shareholders. However, the Company may suspend the registration of shareholders on terms equivalent to those set out in section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

Shareholders of the Company shall enjoy the following rights:

- (1) to receive dividends and other forms of benefit distribution in proportion to the number of shares they hold;
- (2) to lawfully require, convene, preside over, attend or appoint a proxy to attend the general meeting and exercise corresponding voting rights;

- (3) to supervise the operation of the Company and make suggestions and inquiries;
- (4) to transfer, donate or pledge their shares in accordance with laws, administrative regulations, and the Articles of Association;
- (5) to inspect and copy the Articles of Association, the register of shareholders, minutes of general meetings, resolutions of Board meetings, financial and accounting reports; and (for shareholders who meet the relevant requirements) to inspect the Company's accounting books and vouchers;
- (6) upon termination or liquidation of the Company, to participate in the distribution of the remaining assets of the Company in proportion to the number of Shares they hold;
- (7) to require the Company to repurchase their shares by shareholders who disagree with the resolutions for the merger and division of the Company made at the general meeting;
- (8) other rights provided by laws, administrative regulations, departmental rules or the Articles of Association.

Shareholders who request to inspect or copy materials related to the Company shall comply with the Company Law, the Securities Law and other laws and administrative regulations.

If any resolution of the general meeting or the Board meeting violates laws and administrative regulations, the shareholders shall have the right to submit to the People's Court to declare the resolution invalid. If the convening procedures and voting ways of the general meeting or the Board meeting violate laws, administrative regulations or the Articles of Association, or the resolutions violate the Articles of Association, the shareholders have the right to submit to the people's court to cancel the resolutions within 60 days after the adoption of the resolutions, except for the circumstances where the convening procedures and voting ways have only minor flaws and there's no substantial impact on resolutions.

Any shareholder(s) individually or jointly holding more than 1% of the Company's shares for more than 180 consecutive days shall have the right to request the Audit Committee in writing to bring a legal action before the People's Court against any Director or senior management member (other than members of the Audit Committee) for loss of Company resulting from their violation of any laws, administrative regulations or the Articles of Association in the course of performing their duties; and such shareholders may request the Board of Directors in writing to bring a legal action before the People's Court against any member of the Audit Committee for the loss of the Company resulting from his/her violation of any laws, administrative regulations or the Articles of Association in the course of performing the duties.

The shareholders described in the preceding paragraph may bring a legal action before the People's Court directly in their own names in the interest of the Company in the event that the Audit Committee or the Board of Directors refuses to initiate legal proceedings after receiving the aforesaid written request of shareholders, or fails to initiate such legal proceedings within 30 days on which such request is received, or in case of emergency where failure to initiate such legal proceedings immediately will result in irreparable damage to the Company's interest.

If any Director or senior management member is in violation of laws, administrative regulations or the Articles of Association, thus causing any losses to the shareholders, the shareholders may initiate legal proceedings before the People's Court against such Director or senior management member.

The shareholders of the Company shall assume the following obligations:

- (1) to comply with laws, administrative regulations and the Articles of Association;
- (2) to pay subscription monies according to the shares subscribed and the method of subscription;
- (3) not to withdraw their share capital unless required by laws and regulations;
- (4) not to abuse their shareholders' rights to jeopardize the interests of the Company or other shareholders; and not to abuse the status of the Company as an independent legal person and the limited liability of shareholders to jeopardize the interests of any creditors of the Company;
- (5) other obligations imposed by laws, administrative regulations and the Articles of Association.

Where any shareholder of the Company abuses the shareholders' rights, causing losses to the Company or other shareholders, such shareholder shall be liable for compensation according to law. Where any shareholder of the Company abuses the Company's status as an independent legal person and the limited liability of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholder shall be jointly and severally liable for the debts owed by the Company.

Controlling Shareholders and Actual Controllers

The controlling shareholders and the actual controllers of the Company shall exercise their rights and fulfil their obligations in accordance with laws, administrative regulations, and the requirements of the CSRC and the Shanghai Stock Exchange, and safeguard the interests of the Company. If the Company does not have any controlling shareholder or actual controller, the provisions on the controlling shareholders and the actual controllers shall apply to the first majority shareholder, except for Hong Kong Securities Clearing Company Limited holding SSE Securities and shareholders holding less than 5% of the Company's shares.

The controlling shareholders and the actual controllers of the Company shall comply with the following provisions:

- (1) to exercise their rights as shareholders in accordance with the law and not abuse their control or use their related relationship to prejudice the legitimate interests of the Company or other shareholders;
- (2) to strictly implement the public statements and undertakings made and shall not change or waive them;
- (3) to fulfil information disclosure obligations in strict accordance with the relevant regulations, to proactively cooperate with the Company in information disclosure and to inform the Company in a timely manner of material events that have occurred or are proposed to occur;
- (4) not to appropriate the Company's funds in any way;
- (5) not to order, instruct or request the Company and relevant personnel to provide guarantees in violation of laws and regulations;
- (6) not to make use of the Company's undisclosed material information to gain benefits, not to divulge in any way undisclosed material information relating to the Company, and not to engage in insider trading, short-swing trading, market manipulation and other illegal and unlawful acts;
- (7) not to prejudice the legitimate rights and interests of the Company and other shareholders through unfair related transactions, profit distribution, asset restructuring, external investment or any other means;
- (8) to ensure the integrity of the Company's assets, and the independence of personnel, finance, organization and business, and not to affect the independence of the Company in any way;
- (9) other provisions prescribed by laws, administrative regulations, the CSRC, the business rules of the Shanghai Stock Exchange and the Articles of Association.

If the controlling shareholders or actual controllers of the Company do not serve as Directors of the Company but actually execute the affairs of the Company, the provisions of the Articles of Association regarding the obligations of loyalty and diligence of Directors shall apply. Where the controlling shareholders and the actual controllers of the Company instruct a Director or a senior management member to engage in an act that is detrimental to the interests of the Company or the shareholders, they shall be jointly and severally liable with such Director or senior management member.

General Provisions of the General Meeting

The general meeting shall comprise all shareholders. The general meeting is the organ of authority of the Company, and shall exercise the following functions and powers according to law:

- (1) to elect and replace Directors who are not representatives of the employees and to determine matters relating to the remuneration of the Directors;
- (2) to consider and approve reports of the Board of Directors;
- (3) To consider and approve the Company's profit distribution plans and plans for making up losses;
- (4) To resolve on increases or reductions in the Company's registered capital;
- (5) to resolve on issuance of corporate bonds of the Company;
- (6) to resolve on the Company's merger, division, dissolution, liquidation or change of its corporate form;
- (7) to amend the Articles of Association;
- (8) to resolve on the engagement or dismissal of the accounting firm that undertakes the Company's audit, and the determination of its remuneration;
- (9) to consider and approve the guarantees as stipulated in Article 47 of the Articles of Association;
- (10) to consider matters relating to the acquisition or disposal of material assets by the Company within one year in an amount exceeding 30% of the latest audited total assets of the Company;
- (11) to consider and approve the transactions as stipulated in Article 48 of the Articles of Association;
- (12) to consider any connected transaction (excluding the provision of guarantees, receiving cash assets as gifts, obtaining debt relief, accepting guarantees and financial assistance by the Company, or otherwise as stipulated by the Shanghai Stock Exchange) between the Company and related persons with an amount exceeding RMB30 million and accounting for more than 1% of the latest audited total assets or market capitalization of the Company;
- (13) to consider and approve matters relating to the changes in the use of proceeds;

- (14) to consider share incentive plans and employee stock ownership plans;
- (15) to consider other matters to be resolved by the general meeting as required by laws, administrative regulations, departmental rules, the Hong Kong Listing Rules or the Articles of Association.

The general meeting may authorize the Board of Directors to make resolutions on the issuance of corporate bonds.

The general meetings are divided into annual general meetings and extraordinary general meetings. The annual general meeting shall be convened once a year and be held within six months from the end of the previous accounting year.

The Company shall convene an extraordinary general meeting within two months upon the actual occurrence of any of the following circumstances:

- (1) the number of Directors is less than the number specified in the Company Law or two-thirds of the number specified in the Articles of Association (i.e. 6 Directors);
- (2) when the unrecovered losses of the Company amount to one-third of the total share capital;
- (3) when any shareholder(s) individually or collectively holding over 10% of the Company's shares so request;
- (4) whenever the Board of Directors considers necessary;
- (5) whenever the Audit Committee proposes to convene;
- (6) any other circumstances as provided by laws, administrative regulations, departmental rules or the Articles of Association.

The general meeting shall have a venue and be held on-site. The Company will also provide online electronic voting to provide convenience to shareholders (including allowing shareholders to attend virtually using technology). Shareholders who participate in the general meeting in the aforesaid manners shall be deemed to be present, and each of them shall have rights to speak and vote.

Convening of the General Meeting

The Board of Directors shall convene the general meeting on time within the specified period.

Independent Directors shall have the right to propose to the Board of Directors to convene an extraordinary general meeting. Where an independent Director exercises the above-mentioned functions and powers, he/she shall obtain the approval of a majority of all independent Directors. Where an independent Director proposes that an extraordinary general meeting be held, the Board of Directors shall, in accordance with laws, administrative regulations and the Articles of Association, furnish a written reply on whether to convene the extraordinary general meeting within 10 days upon receipt of the proposal. If the Board of Directors agrees to convene the extraordinary general meeting, a notice of such meeting shall be given within five days upon the passing of the Board resolution. If the Board of Directors does not agree to convene the extraordinary general meeting, it shall explain the reasons and make an announcement.

The Audit Committee shall have the right to propose to the Board of Directors to convene an extraordinary general meeting, and such proposal shall be made to the Board of Directors in writing. The Board of Directors shall, in accordance with laws, administrative regulations and the Articles of Association, furnish a written reply on whether to convene the extraordinary general Board within 10 days upon receipt of the proposal. If the Board of Directors agrees to convene the extraordinary general meeting, a notice of such meeting shall be issued within five days upon the passing of the Board resolution. Any changes to the original proposal made in the notice shall be approved by the Audit Committee. If the Board of Directors does not agree to convene the extraordinary general meeting or fails to furnish a reply within 10 days upon receipt of such proposal, the Board of Directors shall be deemed to be unable or fail to perform the duty of convening the general meeting, and the Audit Committee may convene and preside over the meeting on its own.

Any shareholder(s) individually or jointly holding over 10% of the Company's shares shall have the right to request the Board of Directors to convene an extraordinary general meeting, and such request shall be made in writing to the Board of Directors. The Board of Directors shall, in accordance with laws, administrative regulations and the Articles of Association, furnish a written reply on whether to convene the extraordinary general Board within 10 days upon receipt of the request. If the Board of Directors agrees to convene the extraordinary general meeting, a notice of such meeting shall be issued within five days upon the passing of the Board resolution. Any changes to the original request made in the notice shall be approved by the relevant shareholders. If the Board of Directors does not agree to convene the extraordinary general meeting or fails to furnish a reply within 10 days upon receipt of such request, the shareholder(s) individually or jointly holding over 10% of the shares of the Company shall have the right to request the Audit Committee to convene an extraordinary general meeting, and such request shall be made in writing. If the Audit Committee agrees to convene the extraordinary general meeting, a notice of such meeting shall be issued within five days upon receipt of the request. Any changes to the original request in

the notice shall be approved by the relevant shareholders. If the Audit Committee fails to issue the notice of the general meeting within the prescribed period, it shall be deemed that the Audit Committee does not convene and preside over the general meeting, and the shareholder(s) individually or jointly holding over 10% of the shares of the Company for more than 90 consecutive days may convene and preside over the meeting on its/their own. If the Audit Committee or shareholder(s) decide(s) to convene a general meeting on its/their own, it/they shall notify the Board of Directors in writing and, at the same time, make a filing with the Shanghai Stock Exchange. Before announcing the resolutions of the general meeting, the convening shareholders shall not hold less than 10% of the shares of the Company.

The Audit Committee or the convening shareholders shall submit relevant supporting documents to the Shanghai Stock Exchange when issuing the notice of the general meeting and announcing the resolutions of such meeting.

All reasonable expenses incurred for the general meeting convened by the Audit Committee or shareholder(s) on its/their own shall be borne by the Company.

Proposals and Notices of the General Meeting

When the Company holds a general meeting, the Board of Directors, the Audit Committee and the shareholder(s) individually or jointly holding more than 1% of the Company's shares shall have the right to make proposals to the Company. The shareholder(s) individually or jointly holding more than 1% of the Company's shares may put forward interim proposals and submit such proposals in writing to the convener ten days before the general meeting is held. The convener shall issue a supplemental notice of the general meeting within 2 days upon the receipt of such proposals, announce the contents of the interim proposals and submit the same to the general meeting for consideration, provided that such proposals shall not violate laws, administrative regulations or the Articles of Association, and shall fall within the scope of authority of the general meeting.

Except for the circumstances prescribed in the preceding paragraph, the convener shall not modify the proposals listed or add any new proposal in the notice of the general meeting after sending it out.

Proposals not set out in the notice of the general meeting or not in compliance with the Articles of Association shall not be voted on or resolved on at the general meeting.

The convener shall inform each shareholder of the annual general meeting in writing (including an announcement) 21 days before convening such meeting and shall inform each shareholder of the extraordinary general meeting in writing (including an announcement) 15 days before convening such meeting. When calculating the starting date, the convening date of the meeting shall be excluded.

The notice of a general meeting shall include the following:

- (1) the time, place and duration of the meeting;
- (2) matters and proposals to be considered at the meeting;
- (3) a prominent written statement that all shareholders have the right to attend the general meeting, and may appoint a proxy in writing, who need not be a shareholder, to attend and vote on his/her behalf;
- (4) the shareholding registration date for shareholders entitled to attend the general meeting;
- (5) the name and telephone number of permanent contact persons for the affairs of the meeting;
- (6) the voting time and procedure via the Internet or through other means.

The specific details of all proposals shall be adequately and fully disclosed in all notices and supplementary notices of the general meeting.

After issuance of the notice for the general meeting, the general meeting shall not be postponed or cancelled without proper reasons and the proposals specified in such notice shall not be withdrawn. In case of postponement or cancellation, the convener shall make an announcement and give reasons at least 2 working days prior to the date on which the meeting is originally scheduled. Where the securities regulatory rules of the place(s) where the shares of the Company are listed provide otherwise in respect of the procedures for postponement or cancellation of a general meeting, such provisions shall apply to the extent that they do not contravene the regulatory requirements of the place where the Company was incorporated.

Holding of the General Meeting

All shareholders registered on the shareholding registration date or their proxies are entitled to attend and speak at the general meeting, and exercise voting rights in accordance with the relevant laws, regulations and the Articles of Association. Any shareholder may attend the general meeting in person or authorize a proxy to attend and vote at the general meeting on his/her/its behalf.

An individual shareholder who attends the general meeting in person shall produce his/her own identity card or other valid documents or proof evidencing his/her identity. Where a shareholder appoints a proxy to attend the general meeting on his/her behalf, the proxy shall produce his/her own valid identity documents and the power of attorney issued by the shareholder.

A corporate shareholder shall designate its legal representative or a proxy appointed by the legal representative to attend the meeting. If the legal representative attends the meeting, he or she shall produce his or her own identity card and valid proof of his or her legal representative status. If a proxy has been appointed to attend the meeting, such proxy shall produce his/her own identity card and the written power of attorney issued by the legal representative of the corporate shareholder according to law except where the shareholder is a recognized clearing house or its nominee.

An unincorporated organization shareholder shall attend the meeting by its responsible person or a proxy appointed by the responsible person. If the responsible person attends the meeting, he or she shall produce his or her own identity card and valid proof of his or her status of a responsible person. If a proxy has been appointed to attend the meeting, such proxy shall produce his/her own identity card and the written power of attorney issued by the responsible person of the organization according to law.

If the shareholder is a recognized clearing house or its nominee, such shareholder may authorize one or more persons it deems appropriate to act as its proxy or representative at any general meeting of shareholders or any class meeting of shareholders; provided, however, that if more than two persons are authorized, the power of attorney or instrument of authorization shall specify the number and class of shares to which each such person is authorized (share certificates need not be produced, and notarized authorization and/or further evidence of due authorization shall be required).

The power of attorney issued by a shareholder authorizing others to attend the general meeting shall state the following:

- (1) The name of the appointer and the number of the Company's shares held by him/her;
- (2) The name of the proxy;
- (3) The specific instructions of the shareholder, including instructions to vote for, against or abstain from voting on each matter to be deliberated on the agenda of the general meeting;
- (4) date of issuance and validity period of the power of attorney;
- (5) signature (or seal) of the appointer. If the appointer is a corporate shareholder, the seal of the legal entity shall be affixed. If the appointer is an unincorporated organization, the seal of the unincorporated organization shall be affixed.

Voting and Resolutions of the General Meeting

The resolutions of the general meeting shall be classified as ordinary resolutions and special resolutions. Ordinary resolutions at a general meeting shall be passed by more than half of the voting shares held by shareholders (including their proxies) attending the meeting. Special resolutions at a general meeting shall be passed by more than two-thirds of the voting rights held by shareholders (including their proxies) attending the general meeting.

The following matters shall be resolved by an ordinary resolution at a general meeting:

- (1) work reports of the Board of Directors;
- (2) profit distribution plans and loss recovery plans formulated by the Board of Directors;
- (3) Dismissal and appointment of members of the Board of Directors, and their remuneration and method of payment of their remuneration;
- (4) matters other than those stipulated by laws, administrative regulations or the Articles of Association to be approved by special resolutions.

The following matters shall be resolved by a special resolution at a general meeting:

- (1) any increase or reduction in the Company's registered capital;
- (2) division, spin-off, merger, dissolution or liquidation of the Company;
- (3) any amendment to the Articles of Association;
- (4) the acquisition or disposal of material assets or provision of guarantee for others by the Company within one year with an amount exceeding 30% of the latest audited total assets of the Company;
- (5) and share incentive plan;
- (6) other matters stipulated by laws, administrative regulations and the Articles of Association, as well as other matters that the general meeting determines by ordinary resolutions will have a material impact on the Company and need to be passed by special resolution.

Shareholders (including their proxies) shall exercise their voting rights according to the number of voting shares they represent, and each share shall have one vote. To the extent permitted by the applicable securities regulations of the stock exchange where the shares are listed, a shareholder (including a shareholder's proxy) with two or more voting rights is not required to cast all of its votes entirely in favor of, against, or as abstentions on a resolution. Where any material matter that has an impact on the interests of minority investors is considered at a general meeting, the votes cast by minority investors shall be counted separately. The results of the separate counting shall be disclosed to the public in a timely manner. Shares of the Company held by the Company shall carry no voting rights, and be excluded from the total voting shares held by shareholders present at a general meeting.

Where any shareholder is, under the applicable laws and regulations and the Hong Kong Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted towards the total number of shares carrying voting rights.

If a shareholder's purchase of the Company's voting shares violates the provisions of (1) and (2) of Article 63 of the Securities Law, the portion of the shares over the prescribed ratio shall not be allowed to exercise voting rights for a period of thirty-six months after the purchase and shall not be counted towards the total number of voting shares held by shareholders present at the general meeting.

The Board of Directors, independent Directors and shareholders holding more than 1% of the voting shares or investor protection institutions established in accordance with laws, administrative regulations or the provisions of the CSRC may solicit voting rights from shareholders. When soliciting voting rights from shareholders, specific voting intentions and other information must be fully disclosed to the persons being solicited. It is prohibited to solicit voting rights from shareholders in a paid or disguised pay way. Except for statutory conditions, the Company may not impose any minimum shareholding ratio restrictions on the solicitation of voting rights.

When matters relating to related transactions are considered at a general meeting, the related shareholders shall abstain from voting, and the number of voting shares represented by them shall not be counted into the total number of valid votes; the announcement of any resolution made at the general meeting should fully disclose the voting information of the non-related shareholders.

DIRECTORS AND BOARD OF DIRECTORS**General Provisions of Directors**

Directors include executive Directors, non-executive Directors and independent Directors (“independent Directors” has the same meaning as “independent non-executive Directors” in the Hong Kong Listing Rules). Non-executive Directors refer to Directors who do not carry out operation and management duties in the Company. Independent Directors refer to persons who meet the regulatory rules of the stock exchange(s) at the place(s) where the Company’s shares are listed.

Directors of the Company are natural persons. Directors shall possess the qualifications required by laws, administrative regulations and rules for their positions. A person shall not serve as a Director of the Company if any of the following circumstances applies:

- (1) a person who has no capacity or has restricted capacity for civil conduct;
- (2) a person who has been sentenced to criminal punishment for corruption, bribery, embezzlement of property, misappropriation of property or disruption of the socialist market economic order; or has been deprived of political rights because of committing an offence, in each case where less than 5 years have elapsed since the expiration of the execution period, and in the case of a suspended sentence, less than 2 years have elapsed since the expiration of the probation period;
- (3) a person who is a former director, factory director or manager of a company or an enterprise which was insolvent and liquidated and who was personally liable for the insolvency of such company or enterprise, where less than 3 years have elapsed since the date of the completion of the insolvency and liquidation of such company or enterprise;
- (4) a person who was the legal representative of a company or an enterprise whose business license has been revoked and was ordered to close up due to the violation of laws and who is personally liable for the revocation or the closure, where less than 3 years have elapsed since the date of the revocation of the business license or order of closure of such company or enterprise;
- (5) a person who has a relatively large amount of personal indebtedness which is overdue and outstanding and has been listed as a discredited subject to enforcement by a People’s Court;

- (6) a person who has been banned from entering the securities market by the CSRC and whose term has not yet expired;
- (7) a person who is deemed to be disqualified to act as a director or senior management of listed companies by the stock exchange, where the disqualification period remains effective;
- (8) Other contents stipulated by laws, administrative regulations or departmental rules.

Any election, appointment or engagement of a Director in violation of this Article shall be invalid. If a Director falls under the circumstances stipulated in this Article during his/her term of office, the Company will remove him/her from his/her position and suspend his/her duties.

Where a Director candidate falls into any of the following circumstances, the Company shall disclose the specific circumstances and the reason to appoint such candidate and whether it will have any effect on the standardized operation of the Company:

- (1) he/she was subject to administrative punishment by the CSRC within the most recent 36 months;
- (2) he/she received public condemnation or three or more informed criticisms from a stock exchange within the most recent 36 months;
- (3) he/she is under investigation by judicial authorities on suspicion of committing a crime or he/she is under investigation by the CSRC on suspicion of breaching laws or regulations where no definitive conclusion has been reached;
- (4) he/she has a record of material dishonesty or other misconduct.

The last day of the above period shall be the date on which the general meeting of the Company considered the resolution for the appointment of candidates for Directors.

Directors shall, in accordance with laws, administrative regulations and the Articles of Association, owe loyalty duties to the Company. They should take measures to avoid conflicts between their own interests and those of the Company, and should not use their authority of office to obtain improper benefits.

Directors shall undertake the following loyalty duties to the Company:

- (1) shall not abuse his/her authority of office to accept bribes or other illegal income or misappropriate the properties of the Company;
- (2) shall not misappropriate the funds of the Company;
- (3) shall not set up accounts in his/her own name or in the name of any other person for the purpose of depositing any of the funds of the Company;
- (4) shall not violate the provisions of the Articles of Association by lending the Company's funds to others or using the Company's properties to provide guarantees for others without the consent of the general meeting or the consent of the Board of Directors;
- (5) shall not directly or indirectly enter into contracts or carry out transactions with the Company, without reporting to the Board of Directors or at the general meeting and without obtaining approval by a resolution of the Board of Directors or at the general meeting in accordance with the provisions of the Articles of Association;
- (6) shall not take advantage of their positions to seek business opportunities for themselves or others that should belong to the Company except under one of the following circumstances: they report the matter to the Board of Directors or at the general meeting, which is approved by a resolution at the general meeting; and the Company cannot utilize such business opportunities under the provisions of laws, administrative regulations or the Articles of Association;
- (7) shall not operate a business similar to the business of the Company for the benefit of themselves or others, without reporting to the Board of Directors or at the general meeting and obtaining approval by a resolution at the general meeting;
- (8) shall not accept commissions paid by others for transactions conducted with the Company as their own benefits;
- (9) shall not disclose confidential information of the Company without permission;
- (10) shall not abuse his/her related relationship with the Company to jeopardize the interests of the Company;
- (11) other loyalty duties as required by the laws, administrative regulations, departmental rules and the Articles of Association.

Any income derived by a Director in violation of the provisions of this Article shall belong to the Company. The Director shall be liable to indemnify the Company against any loss incurred.

Directors shall, in accordance with laws, administrative regulations and the Articles of Association, owe diligence duties to the Company. In performing their duties, they shall exercise the reasonable care that shall be generally possessed by a manager for the best interests of the Company. Directors shall bear the following diligence duties to the Company:

- (1) shall exercise the rights conferred by the Company with due discretion, care and diligence to ensure the business operations of the Company comply with the State's laws, administrative regulations and requirements of the State's economic policies, not exceeding the scope of business specified in the Company's business license;
- (2) shall treat all shareholders impartially;
- (3) shall master the operation and management conditions of the Company in due time;
- (4) shall sign the written confirmation opinions for the regular reports of the Company, to ensure that the information disclosed by the Company is true, accurate and complete;
- (5) shall honestly provide the Audit Committee with relevant information, and not interfere with the Audit Committee in performing its duties and powers;
- (6) shall fulfil other due diligence duties as stipulated by laws, administrative regulations, departmental rules and the Articles of Association.

The Company has established a management system for Director resignations, clearly specifying the accountability and compensation measures for unfulfilled public commitments and other outstanding matters. When a Director's resignation takes effect or his/her term of service expires, he/she shall complete all transfer procedures with the Board of Directors. His/her loyalty duties towards the Company and the shareholders do not necessarily cease after the end of his/her term of service. The duties of confidentiality in respect of trade secrets of the Company shall still be in effect after the end of his/her term of office, until such trade secrets become publicly available information. Other loyalty duties shall still be in force within twelve months after the expiration of his/her term of office or the effective date of his/her resignation. The responsibility that a Director bears during his/her term of service due to the performance of his/her duties shall not be waived or terminated upon termination of tenure.

Board of Directors

The Company shall have a Board of Directors. The Board of Directors shall comprise 8 Directors, and the number of independent Directors shall not be less than one-third of the members of the Board. The Board of Directors shall include 2 employee representatives, who shall be elected democratically by the employees of the Company at the employees' congress, the assembly of employees or by other ways.

The Board of Directors shall exercise the following functions and powers:

- (1) to convene the general meeting and report to the general meeting;
- (2) to implement the resolutions passed at the general meeting;
- (3) to determine the business plans and investment plans of the Company;
- (4) to prepare the plans for profit distribution and plans for making up losses of the Company;
- (5) to formulate plans in respect of any increase or reduction of the registered capital, the issuance of bonds or other securities, and the listing of the Company;
- (6) to formulate plans for material acquisition, repurchase of the Company's shares, or merger, division, dissolution, and change of the corporate form of the Company;
- (7) to determine, within the authority granted by the general meeting, matters such as external investments, the acquisition and disposal of assets, asset mortgages, external guarantees, consigned financial management, related transactions, external donations and gifts;
- (8) to determine the establishment of the internal management structure of the Company;
- (9) to determine the appointment or dismissal of the chief executive officer, the general manager, the secretary to the Board of Directors and other senior management members, and determine their remunerations, rewards and punishments; and according to the nomination by the general manager, to determine the appointment or dismissal of other senior management members such as the deputy general manager and the head of finance of the Company, and determine their remunerations, rewards and punishments;
- (10) to formulate the Company's basic management system;
- (11) to draw up proposals for any amendment to the Articles of Association;

- (12) to manage the matters of information disclosure of the Company;
- (13) to propose at the general meeting the appointment or change of any accounting firm which provides auditing services for the Company;
- (14) to receive work reports of the general manager and review his/her work;
- (15) to exercise other functions and powers granted by laws, administrative regulations, departmental rules, the Articles of Association or the general meeting.

Matters beyond the authorization of the general meeting shall be submitted to the general meeting for consideration.

Board meetings are classified as regular meetings and extraordinary meetings. The Board of Directors is required to convene at least four meetings a year. Board meetings shall be convened by the chairman. All Directors shall be informed in writing 14 days before any regular meeting.

The notice of a Board meeting shall consist of the following:

- (1) date and place of the meeting;
- (2) duration of the meeting;
- (3) causes and issues to be discussed;
- (4) date of issuance of notice.

The board meeting shall be held upon the attendance of more than half of the Directors. Resolutions of the Board of the Directors shall be passed by more than half of all the Directors.

In the event that the Board of Directors is required to decide on a matter to be passed by the general meeting through a special resolution, such matter must be approved by more than two-thirds of all directors before being submitted to the general meeting for deliberation. As for external guarantees that shall obtain approval from the Board of Directors, in addition to being approved by more than half of the Directors, they must also be approved by more than two-thirds of the Directors present at the Board Meeting.

When voting on the Board of Directors' resolutions, one Director shall have one vote.

Where a Director has a related relationship with any enterprise or person involved in a matter to be resolved at a Board meeting, such Director shall promptly report in writing to the Board of Directors, and he/she shall not exercise his/her voting rights for such resolution, nor exercise voting rights on behalf of other Director(s). The Board meeting shall not be held unless attended by more than half of the Directors without any related relationship, and any

resolution made at the Board meeting must be passed by more than half of the Directors without any such related relationship. Where the number of Directors without any related relationship attending the meeting is less than three, the matter shall be submitted to the general meeting for consideration.

Independent Directors

Independent Directors must maintain their independence. The following persons shall not be independent Directors:

- (1) Persons working in the Company or its affiliated enterprises, and their spouses, parents, children and main social relations;
- (2) Natural person shareholders directly or indirectly holding more than 1% of the issued shares of the Company or among the top ten shareholders of the Company, and their spouses, parents and children;
- (3) Shareholders directly or indirectly holding more than 5% of the issued shares of the Company or persons among the top five shareholders of the Company, and their spouses, parents and children;
- (4) Persons working in the affiliated enterprises of the controlling shareholders or actual controllers of the Company, and their spouses, parents and children;
- (5) Persons who have material business dealings with the Company and its controlling shareholders or actual controllers or their respective affiliated enterprises, or who work in entities that have material business dealings with the Company and its controlling shareholders or actual controllers;
- (6) Persons who provide financial, legal, consulting and sponsorship services for the Company, its controlling shareholders, actual controllers or their respective affiliated enterprises, including but not limited to, all project team members, review persons at all levels, report signing persons, partners, directors, senior management members and principal persons of the intermediary agency providing services;
- (7) Persons who have experienced any of the conditions listed in items (1) to (6) within the last twelve months;
- (8) Other persons who do not possess independence as stipulated by laws, administrative regulations, the provisions of the CSRC, the business rules of the Shanghai Stock Exchange, and the provisions of Articles of Association.

The affiliated enterprises of the controlling shareholders and the actual controllers of the Company mentioned in items (4) to (6) of the preceding paragraph exclude the enterprises which are controlled by the same state-owned assets management institution together with the Company and are not related with the Company according to the relevant regulations.

Independent Directors, as members of the Board of Directors, owe loyalty duties and duties of diligence to the Company and all shareholders, and shall prudently perform the following duties:

- (1) to participate in the decision-making of the Board and express clear opinions on matters under discussion;
- (2) to supervise any potential material conflict 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;
- (3) to provide professional and objective advice on the Company's operations and development to promote improvement in the decision-making quality of the Board;
- (4) other duties as stipulated by laws, administrative regulations, the provisions of the CSRC and the Articles of Association.

Independent Directors shall exercise the following special functions and powers:

- (1) to engage an intermediary institution independently for auditing, consultation or verification on specific matters of the Company;
- (2) to propose to the Board of Directors for the convening of extraordinary general meetings;
- (3) to propose for the convening of Board meetings;
- (4) to publicly solicit shareholders' rights from shareholders in accordance with the law;
- (5) to express independent opinions on matters that may jeopardize the rights and interests of the Company or minority shareholders;
- (6) other functions and powers as stipulated by laws, administrative regulations, the provisions of the CSRC and the Articles of Association.

In the event that independent Directors exercise any of the functions and powers listed in items (1) to (3) of the preceding paragraph, the exercise of such functions and powers shall be subject to the approval of more than half of all the independent Directors.

The following matters shall be submitted to the Board of Directors for consideration after being approved by more than half of all independent Directors of the Company:

- (1) related transactions that shall be disclosed;
- (2) the plans for changes in or waivers of commitments by the Company and relevant parties;
- (3) decisions made and measures taken by the Board of the acquired listed company with regard to the Company being acquired;
- (4) other matters as prescribed by laws, administrative regulations, the provisions of the CSRC and the Articles of Association.

The Company shall establish a mechanism for special meetings which shall be attended by independent Directors. Matters such as related transactions to be deliberated by the Board of Directors shall be approved in advance by a special meeting of the independent Directors. The special meetings of the independent Directors shall be convened and chaired by an independent Director nominated by more than half of the independent Directors; in the event that the convener does not perform his/her duties or he/she is unable to perform his/her duties, two or more independent Directors can convene a meeting on their own and nominate a representative to chair the meeting. The special meetings of the independent Directors shall prepare minutes of meetings in accordance with regulations. The minutes of meetings shall record the opinions of the independent Directors. The independent Directors shall sign and confirm the minutes of meetings. The Company shall facilitate and support the convening of the special meetings of the independent Directors.

Special committees under the Board of Directors

The Company's Board of Directors shall establish an audit committee, which shall exercise the powers and functions of the Board of Supervisors as stipulated in the Company Law.

The Audit Committee shall comprise three members, who shall be Directors not holding senior management positions within the Company, of whom two shall be independent Directors. The convener shall be an independent Director with professional accounting qualifications.

The Audit Committee shall be responsible for reviewing the Company's financial information and its disclosure, supervising and evaluating internal and external audit work and internal control, and the following matters shall be submitted to the Board of Directors for deliberation after being approved by more than half of all members of the Audit Committee:

- (1) disclosing financial information in financial and accounting reports and periodic reports, and internal control evaluation reports;

- (2) appointing or dismissing the accounting firm engaged to undertake the audit of the Company;
- (3) appointing or dismissing the Company's head of finance;
- (4) making changes to accounting policies or accounting estimates, or correcting material accounting errors, for reasons other than changes in accounting standards;
- (5) other matters stipulated by laws, administrative regulations, the provisions of the CSRC and the Articles of Association).

The Audit Committee shall convene at least one meeting every quarter. An extraordinary meeting may be convened upon the proposal of two or more members, or when the convener deems it necessary. A meeting of the Audit Committee requires the attendance of more than two-thirds of its members to be held.

Resolutions made by the Audit Committee shall be passed by more than half of its members. Voting on Audit Committee resolutions shall be on a one-person, one-vote basis.

The Board shall establish an Audit Committee, a Nomination Committee, a Remuneration and Evaluation Committee, and a Strategy and ESG Committee. The special committees shall be accountable to the Board of Directors and perform their duties in accordance with the Articles of Association and the authorization of the Board of Directors, and the proposals of the special committees shall be submitted to the Board of Directors for deliberation and decision. The working regulations of the special committees shall be formulated by the Board.

Members of Senior Management

The Company shall have one general manager, who shall be nominated by the chairman of the Board and appointed or dismissed by the Board.

The Company shall have one chief executive officer (CEO), who shall be nominated by the chairman of the Board and appointed or dismissed by the Board. The chief executive officer shall be primarily responsible for supervising the implementation of the Board resolutions by the management and carrying out relevant work as authorized by the Board or the chairman of the Board.

The Company shall have several deputy general managers, who shall be appointed or dismissed by the Board of Directors.

The chief executive officer, the general manager, deputy general managers, the head of finance, the secretary to the Board of Directors of the Company and others recognized by the Board are the senior management members of the Company.

A Director may serve concurrently as the chief executive officer, the general manager, a deputy general manager or other senior management member, but the Directors serving concurrently as such and the Directors being employee representatives shall not be more than half of all Directors of the Company.

FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDIT

Financial and Accounting System

The annual reports and interim reports of the Company shall be prepared in accordance with relevant laws, administrative regulations and rules of the CSRC and the Shanghai Stock Exchange. Within four months from the date of the expiration of each accounting year, an annual report shall be submitted and disclosed to the agency of the CSRC and the Shanghai Stock Exchange respectively. Within two months after the first half of each accounting year, an interim report shall be submitted and disclosed to the agency of the CSRC and the Shanghai Stock Exchange respectively.

The Company shall not set up other account books except for the statutory account books. The Company's funds shall not be deposited in any account opened in the name of any individual.

In distributing the current year's profits after tax, 10% of the profits shall be allocated to the Company's statutory reserve funds. When the aggregate amount of the statutory reserve funds has reached more than 50% of the Company's registered capital, further appropriations are not required. If the statutory reserve funds of the Company are insufficient to make up the losses of the previous year, the profits of the current year shall be used to make up such losses before allocating to the statutory reserve funds in accordance with the preceding paragraph. After the allocation of its profits after tax to its statutory reserve funds, the Company may allocate its profits after tax to its discretionary reserve funds upon a resolution of the general meeting. The remaining profits after tax after the Company has made up its losses and allocated to its reserve funds may be distributed to its shareholders in proportion to their shareholdings unless it is stipulated in the Articles of Association that no profit distribution shall be made in accordance with shareholdings.

If the general meeting distributes profits to shareholders in violation of the Company Law, the shareholders shall return the profits distributed in violation of such law to the Company; and the shareholders and the Directors and senior management who are held accountable for any loss of the Company arising therefrom, shall assume compensation liabilities.

The Shares of the Company held by the Company shall not participate in the distribution of profits.

The Company's reserve funds shall be used to make up the losses of the Company or expand the production operations, or be converted to increase the registered capital of the Company. The discretionary reserve funds and statutory reserve funds shall be used first to make up the Company's losses; if the losses cannot be covered, the capital reserve funds can be used in accordance with regulations.

When the statutory reserve funds are converted into registered capital, the remainder of the reserve funds shall not be less than 25% of the Company's registered capital prior to such conversion.

In the event that resolutions in respect of the profit distribution plan have been adopted at a general meeting or the Board of Directors formulates a specific plan based on the conditions and upper limits for interim dividends approved at the annual general meeting for the following year, the distribution of dividends (or shares) shall be completed within 2 months after such general meeting or the formulation of such specific plan.

The Company shall prioritize cash dividends for profit distribution when it is profit-making, has no undistributed deficit, and possesses ample cash to pay out dividends without disrupting its regular business operations. Over any three-year period, the cumulative amount of cash dividends distributed must be at least 30% of the average annual distributable profits for those three years. The board of Directors shall set a specific annual distribution ratio based on the Company's performance in each given year.

Internal Audit

The Company implements an internal audit system, which specifies the leadership system, responsibilities and authorities, staffing, funding security, use of audit results, and accountability in relation to internal audit work.

The internal audit agency of the company shall supervise and inspect the Company's business activities, risk management, internal control, financial information and other matters.

Engagement of Accounting Firms

The Company shall engage an accounting firm in accordance with the Securities Law to audit its financial statements, verify its net assets and provide other relevant consultancy services. The accounting firm so appointed shall hold office for up to one year, and can be reappointed upon expiration.

The engagement, dismissal of the accounting firm and the determination of its remuneration shall be determined by an ordinary resolution at the general meeting. The Board of Directors shall not engage an accounting firm before the decision is made at the general meeting.

The Company guarantees to provide the hired accounting firm with true and complete accounting vouchers, accounting books, financial accounting reports, and other accounting materials, and shall not reject, conceal or make false reports of any information.

The audit fee of an accounting firm shall be determined by the general meeting.

When the Company dismisses or no longer renews the appointment of an accounting firm, the accounting firm shall be notified 30 days in advance. When the dismissal of an accounting firm is voted on at the general meeting, the accounting firm is allowed to state its opinions. If the accounting firm resigns, it shall explain to the general meeting whether the Company has any improper circumstances.

MERGER, DIVISION, CAPITAL INCREASE AND DECREASE, DISSOLUTION AND LIQUIDATION

Merger, Division, Capital Increase and Decrease

The merger of the Company may take the form of either merger by absorption or merger by incorporation.

Merger by absorption means that a company absorbing another company and the company being absorbed shall be dissolved. Merger by incorporation means that a merger of two or more companies through the establishment of a new company and the companies being consolidated shall be dissolved.

In the event of a merger, the parties to the merger shall enter into a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date of the Company's resolution on merger and shall publish an announcement in the newspapers or the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution. The creditors may require the Company to repay debts or provide corresponding guarantees for debt repayment within 30 days after the receipt of the notice, or within 45 days after the announcement for creditors if the creditors have not received the notice.

In the event of a merger, creditors' rights or debts of each of the parties to the merger shall be assumed by the company which survives the merger or the newly established company.

In the event of a division of the Company, its properties shall be divided up accordingly. In the event of a division, a balance sheet and an inventory of assets shall be prepared. The Company shall notify its creditors within 10 days from the date of the Company's resolution on division and shall publish an announcement in the newspapers or the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution.

The debts of the Company prior to the division shall be undertaken by the companies after the division, save as otherwise specified in the written agreement on debt repayment reached between the Company and its creditors before the division.

The Company shall prepare a balance sheet and an inventory of assets when it reduces its registered capital.

The Company shall notify its creditors within 10 days from the date of the Company's resolution on the reduction of its registered capital and shall publish an announcement in the newspapers or the National Enterprise Credit Information Publicity System within 30 days from the date of such resolution. The creditors shall be entitled to require the Company to repay debts or provide corresponding guarantees for debt repayment within 30 days after the receipt of the notice, or within 45 days after the announcement for creditors if the creditors have not received the notice.

The Company's registered capital shall not, upon capital reduction, be less than the statutory minimum limit. When reducing its registered capital, the Company shall proportionally decrease shareholders' capital contributions or shares according to their respective shareholding percentages, unless otherwise provided by laws or the Articles of Association.

The Company shall, in accordance with the laws, apply for changes in its registration with the company registration authority where it increases or reduces its registered capital.

Dissolution and Liquidation

The Company shall be dissolved for the following reasons:

- (1) the expiration of the business period as stipulated in the Articles of Association or the occurrence of other grounds for dissolution as stipulated in the Articles of Association;
- (2) dissolution resolved by the general meeting;
- (3) required dissolution due to the merger or division of the Company;
- (4) the business license being revoked, ordered to close, or revoked in accordance with the law;
- (5) serious difficulties in its business operation management and serious damages to the interests of its shareholders for its continued existence which cannot be resolved through any other means, shareholders who hold over 10% of the voting rights of the Company may apply to the People's Court to dissolve the Company.

The Company shall, within 10 days of the occurrence of the grounds for dissolution stipulated in the preceding paragraph, publicize the reasons for dissolution through the National Enterprise Credit Information Publicity System.

Where the Company falls under any of the circumstances of the aforementioned items (1) and (2) and has not distributed any property to its shareholders, the Company may continue to exist by amending the Articles of Association or by resolutions of the general meeting.

Amendments to the Articles of Association or resolutions made at the general meeting pursuant to the preceding Article shall be approved by more than two-thirds of the voting rights held by the shareholders present at the general meeting.

Where the Company is dissolved pursuant to the aforementioned items (1), (2), (4) or (5), a liquidation shall be conducted. In the event that Directors are the liquidation obligors of the Company, a liquidation team for liquidation shall be established within 15 days from the date of occurrence of the cause for dissolution to carry out liquidation. The liquidation committee shall comprise the Directors, unless these Articles of Association stipulate otherwise or the general meeting resolves to elect any other person(s). If the liquidation obligors fail to fulfill their liquidation obligations in a timely manner and cause losses to the Company or creditors, they shall be liable for compensation.

The liquidation team shall notify the creditors within 10 days from the date of its establishment, and make an announcement in newspapers or the National Enterprise Credit Information Publicity System within 60 days from the date of its establishment. The creditors shall declare their claims to the liquidation committee within 30 days from the date on which they receive such notice or within 45 days from the date of the announcement if no such notice is received.

If the liquidation team, having checked the Company's property and having prepared a balance sheet and an inventory of property, discovers that the Company's assets are insufficient to pay off its debts, it shall apply to the People's Court for insolvency liquidation.

After the People's Court accepts the application for insolvency, the liquidation committee shall transfer all liquidation affairs to the insolvency administrators appointed by the People's Court.

The Company declared insolvency according to law shall have insolvency liquidation carried out according to relevant enterprise insolvency laws.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company shall amend the Articles of Association under any of the following circumstances:

- (1) Subsequent to the amendments to the Company Law or the relevant laws and administrative regulations, the matters stipulated in the Articles of Association are in conflict with the provisions of the amended laws and administrative regulations;
- (2) Changes in the state of the Company are inconsistent with the matters stipulated in the Articles of Association;
- (3) The general meeting has decided to amend the Articles of Association.

Amendments to the Articles of Association passed by resolutions at the general meeting, which require examination and approval by the competent authorities, shall be submitted to the competent authorities for approval. Where any amendment involves the registered particulars of the Company, the procedures for change registration shall be handled in accordance with the law.

FURTHER INFORMATION ABOUT OUR COMPANY**Incorporation of our Company**

Our Company was established as a limited liability company in the PRC on May 27, 2004 under the name of Montage Technology (Shanghai) Co., Ltd. (瀾起科技(上海)有限公司) which was subsequently changed to Montage Technology Co., Ltd. (瀾起科技股份有限公司), and was converted into a joint stock limited company in October 2018, under the laws of the PRC. Since July 22, 2019, our A Shares have been listed on the Shanghai Stock Exchange STAR Market with the stock code of 688008.

Our registered office is located at 15th Floor, Building 1, No. 181 Caobao Road, Xuhui District, Shanghai China. Our principal place of business in Hong Kong is Room 1918, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong. We have been registered as a non-Hong Kong Company under Part 16 of the Companies Ordinance and Ms. Lai Siu Kuen will be our authorized representative for the acceptance of service of process and notices on behalf of our Company in Hong Kong. The address for service of process on our Company in Hong Kong is the same as our principal place of business in Hong Kong as set out above.

As we are established in the PRC, our corporate structure and Articles of Association are subject to the relevant laws and regulations of the PRC. A summary of the relevant provisions of our Articles of Association is set out in “Summary of Articles of Association” in Appendix IV to this Prospectus. A summary of certain relevant aspects of the laws and regulations of the PRC is set out in “Regulatory Overview — Regulatory Environment in the PRC.”

Changes in the Share Capital of our Company

Save as disclosed in the section headed “History, Development and Corporate Structure — Corporate Development and Major Shareholding Changes” and the below, there has been no other alteration in the share capital of our Company during the two years immediately preceding the date of this Prospectus.

- (i) A repurchase mandate for repurchase of A Shares for the purpose of our Company’s employee incentive plans and/or stock ownership plans was approved by the 19th meeting of the second session of the Board on August 23, 2023. The repurchase mandate was valid for 6 months from the date of approval of the repurchase mandate by the Board. Between August 24, 2023 to February 4, 2024, the repurchase of A Shares was conducted under the repurchase mandate with a total of 7,390,000 A Shares pursuant to centralized bidding trading transactions at a range of RMB45.32 per A Share to RMB60 per A Share. Upon completion of the repurchase, the repurchased A Share were held under our Company stock repurchase account as treasury shares and do not carry any shareholders’ right, including but not limited to voting rights at Shareholders’ meeting and dividend rights.

- (ii) A repurchase mandate for repurchase of A Shares for the purpose of preserving our Company's value and shareholders' interests was approved by the 24th meeting of the second session of the Board on February 4, 2024. The repurchase mandate was valid for 3 months from the date of approval of the repurchase mandate by the Board. Between February 6, 2024 and May 4, 2024, the repurchase of A Shares was conducted under the repurchase mandate with a total of 6,760,000 A Shares pursuant to centralized bidding trading transactions at a range of RMB42.25 per A Share to RMB55 per A Share. Upon completion of the repurchase, the repurchased A Share were held under our Company stock repurchase account as treasury shares and do not carry any shareholders' right, including but not limited to voting rights at Shareholders' meeting and dividend rights.
- (iii) As considered and approved at the 26th meeting of the second session of the Board on April 8, 2024, our Company's total share capital increased from approximately RMB1,136.08 million to RMB1,141.46 million upon the completion of the vesting of restricted Shares under the 2019 and 2022 share incentive plans issuing 5,382,985 A Shares;
- (iv) As considered and approved at the 6th meeting of the third session of the Board on April 10, 2025, our Company's total share capital increased from approximately RMB1,141.46 million to approximately RMB1,144.79 million upon the completion of the vesting of restricted Shares under the 2019, 2022 and 2023 share incentive plans issuing 3,328,147 A Shares;
- (v) A repurchase mandate for repurchase of A Shares for the purpose of our Company's employee incentive plans and/or stock ownership plans was approved by the eighth meeting of the third session of the Board on June 20, 2025. The repurchase mandate is valid for three months from the date of approval of the repurchase mandate by the Board. Between June 23, 2025 and September 19, 2025, the repurchase of A Shares was conducted under the repurchase mandate with a total of 2,339,000 A Shares pursuant to centralized bidding trading transactions at a range of RMB77.79 per A Share to RMB117.00 per A Share. Upon completion of the repurchase, the repurchased A Shares will be held under our Company stock repurchase account as treasury shares and do not carry any shareholders' rights, including but not limited to voting rights at Shareholders' meeting and dividend rights;
- (vi) As considered and approved at the 10th meeting of the third session of the Board on August 29, 2025, our Company's total share capital increased from approximately RMB1,144.79 million to RMB1,145.15 million upon the completion of the vesting of restricted Shares under the Employee Incentive Plan 2023 issuing 362,057 A Shares;

(vii) A repurchase mandate for repurchase of A Shares for the purpose of reducing the registered capital of our Company was approved by the eighth meeting of the third session of the Board on June 20, 2025 and the first extraordinary general meeting of the Shareholders in 2025 on July 7, 2025. The repurchase mandate is valid for 12 months from the date of approval of the repurchase mandate by the Shareholders, and shall only be implemented after the completion of the repurchase pursuant to the repurchase mandate as set out in paragraph (v) above. Between October 31, 2025 and December 31, 2025, the repurchase of A Shares was conducted under the repurchase mandate with a total of 1,662,000 A Shares pursuant to centralized bidding trading transactions at a range of RMB115.00 per A Share to RMB147.88 per A Share. Upon completion of the repurchase, the repurchased A Shares will be held under our Company stock repurchase account as treasury shares and do not carry any shareholders' rights, including but not limited to voting rights at Shareholders' meeting and dividend rights; and

(viii) As considered and approved at the 8th meeting of the third session of the Board on June 20, 2025 and the 11th meeting of the third session of the Board on October 30, 2025, our Company's total share capital increased from approximately RMB1,145.15 million to RMB1,146.43 million upon the completion of the vesting of restricted Shares under the Employee Incentive Plan 2023 and the Employee Incentive Plan 2024 issuing 1,275,191 A Shares (pending completion of filing formalities as of the Latest Practicable Date).

Changes in the Share Capital of our Subsidiaries

Saved as disclosed below, there has been no alternation in the share capital of our subsidiaries within the two years immediately preceding the date of this Prospectus.

Montxilu Enterprise (Shanghai) Co., Ltd. (蒙西廬實業發展(上海)有限公司)

On January 19, 2024, the registered capital of Montxilu Enterprise (Shanghai) Co., Ltd. was increased from RMB200 million to RMB400 million.

Monttwo Enterprise (Shanghai) Co., Ltd. (蒙特圖實業發展(上海)有限公司)

On January 31, 2024, the registered capital of Monttwo Enterprise (Shanghai) Co., Ltd. was increased from RMB200 million to RMB400 million.

Montage Electronics (Zhuhai Hengqin) Co., Ltd. (瀾起電子科技(珠海橫琴)有限公司)

On June 6, 2024, Montage Electronics (Zhuhai Hengqin) Co., Ltd. was established as a limited company in the PRC with an initial registered capital of RMB72 million.

On September 27, 2024, the registered capital of Montage Electronics (Zhuhai Hengqin) Co., Ltd. was increased from RMB72 million to RMB100 million.

On September 4, 2025, the registered capital of Montage Electronics (Zhuhai Hengqin) Co., Ltd. was increased from RMB100 million to RMB133.5 million.

Montage Electronics Design (Xi'an) Company Limited (西安瀾起電子設計有限公司)

On November 19, 2024, Montage Electronics Design (Xi'an) Company Limited was established as a limited company in the PRC with an initial registered capital of RMB5 million.

Montage Electronics Design (Shanghai) Company Limited (瀾起電子設計(上海)有限公司)

On December 5, 2024, Montage Electronics Design (Shanghai) Company Limited was established as a limited company in the PRC with an initial registered capital of RMB5 million.

Montone Enterprise (Shanghai) Co., Ltd. (蒙萬實業發展(上海)有限公司)

On December 24, 2024, the registered capital of Montone Enterprise (Shanghai) Co., Ltd. was reduced from RMB50 million to RMB15 million.

Resolutions of our Shareholders

Pursuant to the Shareholders' meeting on July 7, 2025, the following resolutions, among others, were duly passed:

- (a) the issue by our Company of H Shares of nominal value of RMB1.00 each and such H Shares be listed on the Stock Exchange;
- (b) the number of H Shares to be issued before the exercise of the Over-allotment Option shall not be more than 9% of the total issued share capital of our Company as enlarged by the Global Offering, and granting the underwriters the Over-allotment Option of no more than 15% of the number of H Shares issued pursuant to the Global Offering;
- (c) subject to the completion of the Global Offering, the conditional adoption of the Articles of Association, which shall become effective on the Listing Date, and the authorization to the Board to amend the Articles of Association in accordance with relevant laws and regulations and upon the request from the Hong Kong Stock Exchange and relevant PRC regulatory authorities; and
- (d) authorization to the Board and its authorized person(s) to handle all matters relating to, among other things, the Global Offering, the issue and listing of the H Shares.

FURTHER INFORMATION ABOUT OUR BUSINESS**Summary of Material Contracts**

The following contracts (not being contracts entered into in the ordinary course of business) were entered into by our Group within the two years preceding the date of this Prospectus and are or may be material:

- (a) the cornerstone investment agreement dated January 28, 2026 entered into among the Company, J.P. Morgan Investment Management Inc., China International Capital Corporation Hong Kong Securities Limited, Morgan Stanley Asia Limited, UBS Securities Hong Kong Limited and UBS AG Hong Kong Branch, pursuant to which J.P. Morgan Investment Management Inc. agreed to subscribe for H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$66 million;
- (b) the cornerstone investment agreement dated January 28, 2026 entered into among the Company, UBS Asset Management (Singapore) Ltd. (in its capacity as the delegate of the investment manager for and on behalf of certain investors), China International Capital Corporation Hong Kong Securities Limited, Morgan Stanley Asia Limited, UBS Securities Hong Kong Limited and UBS AG Hong Kong Branch, pursuant to which UBS Asset Management (Singapore) Ltd. (in its capacity as the delegate of the investment manager for and on behalf of certain investors) agreed to subscribe for H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$66 million;
- (c) the cornerstone investment agreement dated January 28, 2026 entered into among the Company, New Alternative Limited, China International Capital Corporation Hong Kong Securities Limited, Morgan Stanley Asia Limited, UBS Securities Hong Kong Limited and UBS AG Hong Kong Branch, 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\$45 million;
- (d) the cornerstone investment agreement dated January 28, 2026 entered into among the Company, New Golden Future Limited, China International Capital Corporation Hong Kong Securities Limited, Morgan Stanley Asia Limited, UBS Securities Hong Kong Limited and UBS AG Hong Kong Branch, pursuant to which 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\$21 million;
- (e) the cornerstone investment agreement dated January 28, 2026 entered into among the Company, Alisoft China Holding Limited, China International Capital Corporation Hong Kong Securities Limited, Morgan Stanley Asia Limited, UBS

Securities Hong Kong Limited and UBS AG Hong Kong Branch, pursuant to which Alisoft China Holding Limited agreed to subscribe for H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$55 million;

- (f) the cornerstone investment agreement dated January 28, 2026 entered into among the Company, Aspex Master Fund, China International Capital Corporation Hong Kong Securities Limited, Morgan Stanley Asia Limited, UBS Securities Hong Kong Limited and UBS AG Hong Kong Branch, pursuant to which Aspex Master Fund agreed to subscribe for H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$42 million;
- (g) the cornerstone investment agreement dated January 28, 2026 entered into among the Company, Janchor Partners Pan-Asian Master Fund, China International Capital Corporation Hong Kong Securities Limited, Morgan Stanley Asia Limited, UBS Securities Hong Kong Limited and UBS AG Hong Kong Branch, pursuant to which Janchor Partners Pan-Asian Master Fund agreed to subscribe for H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$42 million;
- (h) the cornerstone investment agreement dated January 28, 2026 entered into among the Company, abrdn Asia Limited, China International Capital Corporation Hong Kong Securities Limited, Morgan Stanley Asia Limited, UBS Securities Hong Kong Limited and UBS AG Hong Kong Branch, pursuant to which abrdn Asia Limited agreed to subscribe for H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$19 million;
- (i) the cornerstone investment agreement dated January 28, 2026 entered into among the Company, Baring Asset Management (Asia) Limited, China International Capital Corporation Hong Kong Securities Limited, Morgan Stanley Asia Limited, UBS Securities Hong Kong Limited and UBS AG Hong Kong Branch, pursuant to which Baring Asset Management (Asia) Limited agreed to subscribe for H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$15 million;
- (j) the cornerstone investment agreement dated January 28, 2026 entered into among the Company, Mirae Asset Securities Co., Ltd., China International Capital Corporation Hong Kong Securities Limited, Morgan Stanley Asia Limited, UBS Securities Hong Kong Limited and UBS AG Hong Kong Branch, pursuant to which Mirae Asset Securities Co., Ltd. agreed to subscribe for H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$15 million;
- (k) the cornerstone investment agreement dated January 28, 2026 entered into among the Company, AGIC Partners Holding (Cayman) II Limited, China International Capital Corporation Hong Kong Securities Limited, Morgan Stanley Asia Limited,

UBS Securities Hong Kong Limited and UBS AG Hong Kong Branch, pursuant to which AGIC Partners Holding (Cayman) II Limited agreed to subscribe for H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$10 million;

- (l) the cornerstone investment agreement dated January 28, 2026 entered into among the Company, Hel Ved Master Fund, China International Capital Corporation Hong Kong Securities Limited, Morgan Stanley Asia Limited, UBS Securities Hong Kong Limited and UBS AG Hong Kong Branch, pursuant to which Hel Ved Master Fund agreed to subscribe for H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$10 million;
- (m) the cornerstone investment agreement dated January 28, 2026 entered into among the Company, Huaqin Telecom Hong Kong Limited, China International Capital Corporation Hong Kong Securities Limited, Morgan Stanley Asia Limited, UBS Securities Hong Kong Limited and UBS AG Hong Kong Branch, pursuant to which Huaqin Telecom Hong Kong Limited agreed to subscribe for H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$10 million;
- (n) the cornerstone investment agreement dated January 28, 2026 entered into among the Company, Huadeng Summit Fortitude Ventures Ltd, China International Capital Corporation Hong Kong Securities Limited, Morgan Stanley Asia Limited, UBS Securities Hong Kong Limited and UBS AG Hong Kong Branch, pursuant to which Huadeng Summit Fortitude Ventures Ltd agreed to subscribe for H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$8 million;
- (o) the cornerstone investment agreement dated January 28, 2026 entered into among the Company, PSBC Wealth Management Co., Ltd. (中郵理財有限責任公司), China International Capital Corporation Hong Kong Securities Limited, Morgan Stanley Asia Limited, UBS Securities Hong Kong Limited and UBS AG Hong Kong Branch, pursuant to which PSBC Wealth Management Co., Ltd. (中郵理財有限責任公司) agreed to subscribe for H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$8 million;
- (p) the cornerstone investment agreement dated January 28, 2026 entered into among the Company, Taikang Life Insurance Co., Ltd, China International Capital Corporation Hong Kong Securities Limited, Morgan Stanley Asia Limited, UBS Securities Hong Kong Limited and UBS AG Hong Kong Branch, pursuant to which Taikang Life Insurance Co., Ltd agreed to subscribe for H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$8 million;
- (q) the cornerstone investment agreement dated January 28, 2026 entered into among the Company, MY Asian Opportunities Master Fund, L.P., China International Capital Corporation Hong Kong Securities Limited, Morgan Stanley Asia Limited,

UBS Securities Hong Kong Limited and UBS AG Hong Kong Branch, pursuant to which MY Asian Opportunities Master Fund, L.P. agreed to subscribe for H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$5 million;

- (r) the cornerstone investment agreement dated January 28, 2026 entered into among the Company, Qube Master Fund Ltd, China International Capital Corporation Hong Kong Securities Limited, Morgan Stanley Asia Limited, UBS Securities Hong Kong Limited and UBS AG Hong Kong Branch, pursuant to which Qube Master Fund Ltd agreed to subscribe for H Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US\$5 million; and
- (s) the Hong Kong Underwriting Agreement.

Intellectual Property Rights

Set out below are the intellectual property rights which we consider material or may be material in relation to our business.

Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we consider to be or may be material to our business:

No.	Registered trademark	Registered owner	Registration number	Place of registration	Expiry date
1. . .		Company	12590573, 12590599, 12590691	PRC	October 13, 2034, December 6, 2034, December 6, 2034
2. . . .		Montage Technology, Inc.	302610468	Hong Kong	May 15, 2033
3. . .		Company	12590549, 12590627, 12590668	PRC	October 13, 2034, December 6, 2034, August 13, 2035
4. . .		Company	40077504A, 40077504, 40069468, 40082675	PRC	October 27, 2030, April 6, 2031, January 13, 2031, July 27, 2030
5. . .		Company	40065820A, 40077668, 40082681	PRC	September 6, 2030, January 13, 2031, June 27, 2030

As of the Latest Practicable Date, we had applied for the registration of the following trademark which we consider to be or may be material to our business:

No.	Trademark	Applicant	Application number	Place of registration
1		Montage Technology, Inc.	306889592	Hong Kong

Patents

No.	Patent name	Registration number	Place of registration	Expiry date
1	A voltage regulator and a method for voltage regulation	ZL201410041038.3	PRC	January 27, 2034
2	Drive output circuit, chip and drive output method	ZL202011551720.9	PRC	December 24, 2040
3	High-speed phase-frequency detector	ZL201910195015.0	PRC	March 14, 2039
4	Calibration method, calibration device and multi-phase clock circuit	US11784650B2	USA	October 13, 2042
5	Low-latency retimer and delay control method	ZL202111220992.5	PRC	October 20, 2041
6	A delay circuit, clock control circuit and a control method	ZL201910205015.4	PRC	March 18, 2039
7	A test device and method with built-in self-test logic	ZL201911241938.1	PRC	December 6, 2039
8	Clock driver and memory device comprising the same	US11380378B1	USA	September 25, 2041
9	Glitch removal circuit	US11750184B1	USA	July 28, 2042
10 . . .	A switched current source circuit and a fast startup method for the switched current source	ZL202010270340.1	PRC	April 8, 2040
11 . . .	Memory device with split power supply capability	US11735232B2	USA	July 18, 2041
12 . . .	Modular storage device	ZL202210009083.5	PRC	January 6, 2042
13 . . .	Memory device with modular design and memory system comprising the same	US12080369B2	USA	November 7, 2042
14 . . .	A stacked structure and testing method for detecting defects in inter-metal dielectric layers	ZL201810531795.7	PRC	May 29, 2038

No.	Patent name	Registration number	Place of registration	Expiry date
15 . . .	A calibration method for channel delay deviation in automatic chip testing equipment	ZL201810763575.7	PRC	July 12, 2038
16 . . .	A memory system and a method for accessing the memory system	ZL201910531380.4	PRC	June 19, 2039
17 . . .	Memory controller enabling dual-mode access to memory module	US10929318B2	USA	December 20, 2039
18 . . .	Apparatus for controlling access to a memory device and memory system comprising the same	US11935623B2	USA	November 30, 2042
19 . . .	A voltage and timing calibration method for memory systems	ZL201110443575.7	PRC	December 27, 2031
20 . . .	A parameter dynamic calibration circuit and a device capable of dynamically calibrating parameters	ZL201110422264.2	PRC	December 15, 2031
21 . . .	Signal transmission circuit	ZL201611152253.6	PRC	December 14, 2036
22 . . .	Phase locked loop-based power supply circuit and method, and chip	US11082053B1	USA	November 5, 2040
23 . . .	SST driving circuit, chip and driving output method	US11626725B2	USA	August 26, 2041
24 . . .	Power clamp circuit, chip and dual-clamp method	US11626726B2	USA	August 27, 2041
25 . . .	Method for obtaining board parameters of printed circuit board	US11782086B2	USA	July 8, 2042
26 . . .	Communication device	ZL201911212328.9	PRC	December 2, 2039
27 . . .	Delay device and delay control method	US12206418B2	USA	May 27, 2042
28 . . .	A time-to-digital converter and a method for phase difference detection	ZL201910219184.3	PRC	March 21, 2039
29 . . .	A testing method for the electrical performance of packaged chips	ZL202010306983.7	PRC	April 17, 2040
30 . . .	Asymmetrical I/O structure	US11855631B2	USA	January 18, 2042

Copyrights

As of the Latest Practicable Date, we owned the following copyrights which we consider to be material to our business:

No.	Software copyright name	Registered owner	Place of registration	Expiry date
1. . . .	Clock configuration management UI software V1.7	Montage Electronics (Shanghai) Co., Ltd. (瀾起電子科技(上海)有限公司)	PRC	December 31, 2073
2. . . .	Processor instruction detection software based on virtual machine extension V1.0.0	Company	PRC	December 31, 2072
3. . . .	Local management UI software based on DSC2.0 V2.3	Company	PRC	December 31, 2069

Domain Names

As of the Latest Practicable Date, we had registered the following internet domain names which we consider to be or may be material to our business:

No.	Domain name	Registered owner	Expiry date
1.	montage-tech.com	Company	March 19, 2028
2.	montage-tech.com.cn	Company	April 26, 2028
3.	montage-tech.cn	Company	April 26, 2028

FURTHER INFORMATION ABOUT OUR DIRECTORS, CHIEF EXECUTIVE AND SUBSTANTIAL SHAREHOLDERS

Interests of our Directors and chief executive in the Company and our associated corporations

Save as disclosed below, immediately following the completion of the Global Offering (assuming that the Over-allotment Option is not exercised, no new Shares are issued under the Employee Incentive Plans and no other changes are made to the issued share capital of the Company between the Latest Practicable Date and the Listing), so far as our Directors are aware, none of our Directors, and chief executive has any interests and short positions 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) (i) 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 (ii) which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or (iii) 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:

Name	Nature of interest	Description of Shares	Number of Shares ⁽¹⁾	Approximate percentage of shareholding in the A Shares immediately after completion of the Global Offering ⁽²⁾	Approximate percentage of shareholding in the total share capital immediately after completion of the Global Offering ⁽²⁾
				(%)	(%)
Directors					
Dr. Howard	Beneficial interest ⁽³⁾	A Shares	13,580,000	1.18%	1.12%
C. Yang . .	Interest in controlled corporations ⁽⁴⁾	A Shares	45,012,524	3.93%	3.71%
Mr. Stephen	Beneficial interest ⁽⁵⁾	A Shares	13,580,000	1.18%	1.12%
Tai	Interest in controlled corporations ⁽⁴⁾	A Shares	45,012,524	3.93%	3.71%
Ms. Fang	Beneficial interest	A Shares	1,066	0.0001%	0.0001%
Zhoujie . .					

Notes:

- (1) All interests stated are long positions in the Shares.
- (2) The calculation is based on the total number of 1,146,426,521 A Shares and 65,890,000 H Shares in issue immediately after completion of the Global Offering, assuming that the Over-allotment Option is not exercised, no new Shares are issued under the Employee Incentive Plans and no other changes are made to the issued share capital of the Company between the Latest Practicable Date and the Listing.
- (3) This includes 11,400,000 restricted Shares granted under the Core Management Incentive Plan.
- (4) WLT Partners is interested in 45,012,524 A Shares in the Company. The general partner of WLT Partners is WYK Co., Ltd. holding 9% of the interest. WYK Co., Ltd. is wholly-owned by Mr. Tai Kuai Lap. The limited partners of WLT Partners are Dr. Howard C. Yang and Mr. Stephen Tai, holding 45.5% and 45.5% of the interest, respectively. As such, each of Dr. Howard C. Yang, Mr. Stephen Tai, WYK Co., Ltd. and Mr. Tai Kuai Lap is deemed to be interested in the Shares beneficially owned by WLT Partners under the SFO.
- (5) This includes 11,400,000 restricted Shares granted under the Core Management Incentive Plan.

Interests of the substantial shareholders in the Shares

Save as disclosed in “Substantial Shareholders”, immediately following the completion of the Global Offering and without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option, 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 our 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.

Interests of the substantial shareholders in other members of our Group

<u>Name of the subsidiary</u>	<u>Name of the shareholder</u>	<u>Percentage of interest in the subsidiary</u>
Montage Electronics (Zhuhai Hengqin) Co., Ltd. (瀾起電子科技(珠海橫琴)有限公司) ⁽¹⁾	Zhuhai Hengqin Yushan Investment Partnership (Limited Partnership) (珠海橫琴漁山投資合夥企業(有限合夥))	26.74%
	Shanghai Chengxi Mosuo Enterprise Management Partnership (Limited Partnership) (上海橙溪模梭企業管理合夥企業(有限合夥))	15.06%
Shanghai Mulan Jinsi Enterprise Management Partnership (Limited Partnership) (上海木瀾金思企業管理合夥企業(有限合夥)) ⁽²⁾	Shanghai Mulan Phase I Private Fund Partnership (Limited Partner) (上海木瀾一期私募基金合夥企業(有限合夥))	30%

Notes:

- (1) For details of Montage Electronics (Zhuhai Hengqin) Co., Ltd.’s shareholding structure, see “History, Development and Corporate Structure – Our Corporate Structure immediately prior to the Global Offering”.
- (2) For details of Shanghai Mulan Jinsi Enterprise Management Partnership (Limited Partnership)’s shareholding structure, see “History, Development and Corporate Structure — Our Corporate Structure immediately prior to the Global Offering”.

So far as set out above and save as disclosed in the Prospectus, our Directors are not aware of any persons (other than our Directors or chief executive) will, immediately following the completion of the Global Offering, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group.

Particulars of Directors' Service Contracts

Each of the Directors has entered into a service contract with our Company.

Save as disclosed above, we have not entered into, and do not propose to enter into any service contracts with any of our Directors in their respective capacities as Directors (excluding agreements expiring or determinable by any member of our Group within one year without payment of compensation other than statutory compensation).

Remuneration of Directors

Save as disclosed in “Directors and Senior Management” and Note 8 to the Accountants’ Report set out in Appendix I to this Prospectus for the three years ended December 31, 2024 and the nine months ended September 30, 2025, none of our Directors received other remunerations or benefits in kind from us.

Disclaimers

- (a) save as disclosed in “Substantial Shareholders” and in this section, none of our Directors or our chief executive has any interest or short position 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, 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;
- (b) save as disclosed in “Substantial Shareholders”, none of our Directors is aware of any person (not being a Director or chief executive of our Company) who will, immediately following the completion of the Global Offering (without taking into account any H Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option), have an interest or short position in our Shares or underlying Shares which would fall to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO or who is interested, directly or indirectly, in 10% or more of the issued voting shares of any member of our Group;
- (c) save as disclosed in “Business — Our Suppliers — Top Five Suppliers”, none of our Directors, their respective close associates (as defined under the Listing Rules) or Shareholders who own more than 5% of the number of issued shares of our Company have any interests in the five largest customers or the five largest suppliers of our Group for each year/period during the Track Record Period; and

- (d) none of our Directors or any of the parties listed in “Qualifications of Experts” of this Appendix is:
- i. interested in our promotion, or in any assets which have been, within two years immediately preceding the date of this Prospectus, acquired or disposed of by or leased to us, or are proposed to be acquired or disposed of by or leased to any member of our Group; or
 - ii. materially interested in any contract or arrangement subsisting at the date of this Prospectus which is significant in relation to our business.

EMPLOYEE INCENTIVE PLANS

Employee Incentive Plan 2023

Summary

The Employee Incentive Plan 2023, together with the total new A Shares issuable thereunder, has been approved by Shareholders. As of the date of this Prospectus, our Company has granted outstanding restricted shares under the Employee Incentive Plan 2023 to 149 Grantees, entitling them to subscribe for an aggregate of 632,057 A Shares, representing approximately 0.05% of the total number of Shares in issue immediately after completion of the Global Offering (assuming the Over-Allotment Option is not exercised, no new Shares are issued under the Employee Incentive Plans and no other changes are made to the issued share capital of the Company between the Latest Practicable Date and the Listing). No restricted shares were granted to any Directors, senior management members or connected persons of our Company under the Employee Incentive Plan 2023. No restricted shares under the Employee Incentive Plan 2023 will be further granted after Listing, and all restricted shares have been granted to specific individuals under the Employee Incentive Plan 2023. We have applied to the Hong Kong Stock Exchange for a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of the Listing Rules in respect of the Employee Incentive Plan 2023. For more details, see “Waivers and Exemptions — Waiver and Exemption in relation to the Employee Incentive Plans”.

The following is a summary of the principal terms of the Employee Incentive Plan 2023:

Purpose

To motivate key employees at the Company by aligning their interests with the interests of shareholders and the Company’s long-term success, the plan aims to attract and retain talent, enhance their commitment to achieving Company goals, and drive sustainable growth by linking compensation to specific performance metrics and continued employment.

Type of Awards

The Employee Incentive Plan 2023 provides for awards of restricted shares.

Scope of Participants

Key employees in the field of technology and business including foreign employees (excluding directors, supervisors, shareholders who individually or collectively hold more than 5% of the Shares of the listed company, the actual controller of the listed company and their spouses, parents, and children). The Employee Incentive Plan 2023 (including the grantees who fall within the scope of the incentive targets under the Employee Incentive Plan 2023) has been approved by the Remuneration and Evaluation Committee, and the list of grantees has been reviewed by the then supervisory board of the Company and publicly announced in the Company.

Administration

The Shareholders' meeting holds ultimate authority, approving the plan's implementation, amendments, and termination whilst the Board executes the plan, managing grant allocation and vesting processes, and can authorize a committee for specific tasks. The Supervisory Board and/or the Remuneration and Evaluation Committee and independent Directors (if applicable) shall monitor the execution of the plan.

Source of Shares

The source of the underlying Shares of the Employee Incentive Plan 2023 shall be A Shares of the Company repurchased from the secondary market and/or A Shares issued by the Company to the incentive recipients.

Maximum Number of Shares

The number of A Shares under the Employee Incentive Plan 2023 shall not exceed 1,973,000 Shares, accounting for 0.17% of the total share capital of the Company on the date of publication of the plan. The total number of A Shares involved with all incentive plans of the Company shall not exceed 20% of the total outstanding share capital of our Company. The maximum number of Shares granted to any participant under the Employee Incentive Plan 2023 shall not exceed 1% of the total outstanding share capital of our Company.

Term

The Employee Incentive Plan 2023 has a term of not more than 60 months, beginning from the grant date until all restricted shares are vested or invalidated, as determined by the Shareholders' meeting. The plan will end if not extended after this term. Early termination is possible once all shares are registered under the name of the relevant grantee upon completion of the last vesting schedule of the plan.

Vesting Period and Purchase Period

The restricted shares shall vest in tranches of 30%, 30% and 40% in each of the three vesting periods that occur between the first trading date after 12 months from the date of grant and the last trading day up to 48 months from the date of grant, respectively, contingent upon meeting both company performance targets (gross profit) and individual performance evaluations against the specific and applicable KPIs. The relevant Grantees must maintain continuous employment throughout the vesting period.

The Grantees will have the right to be registered as a Shareholder on the date of the vesting of the restricted shares upon payment of the relevant purchase price to subscribe for such number of underlying A Shares.

Purchase Price

As of the Latest Practicable Date, the purchase price of the restricted shares granted under the Employee Incentive Plan 2023 is RMB18.81 per A Share. The purchase price will be adjusted upon the occurrence of certain events, including among others, increase in the share capital by way of capitalization of capital reserves, issue of bonus shares, subdivision of shares, issue of new shares or payment of dividends.

Consideration upon grant is not applicable to restricted shares granted pursuant to the Employee Incentive Plan 2023.

Employee Incentive Plan 2024*Summary*

The Employee Incentive Plan 2024, together with the total new A Shares issuable thereunder, has been approved by Shareholders. As of the date of this Prospectus, our Company has initially granted outstanding restricted shares under the Employee Incentive Plan 2024 to 431 Grantees, entitling them to subscribe for an aggregate of 3,075,010 A Shares, representing approximately 0.25% of the total number of Shares in issue immediately after completion of the Global Offering (assuming the Over-Allotment Option is not exercised, no new Shares are issued under the Employee Incentive Plans and no other changes are made to the issued share capital of the Company between the Latest Practicable Date and the Listing). No outstanding restricted shares were granted to any Directors, senior management members or connected persons of our Company under the Employee Incentive Plan 2024, and all restricted shares have been granted to specific individuals under the Employee Incentive Plan 2024. We have applied to the Hong Kong Stock Exchange for a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of the Listing Rules in respect of the Employee Incentive Plan 2024. For more details, see “Waivers and Exemptions — Waiver and Exemption in relation to the Employee Incentive Plans”.

The following is a summary of the principal terms of the Employee Incentive Plan 2024:

Purpose

For details, see “— Employee Incentive Plan 2023 — Purpose” in this section.

Type of Awards

The Employee Incentive Plan 2024 provides for awards of restricted shares.

Scope of Participants

For details, see “— Employee Incentive Plan 2023 — Scope of Participants” in this section.

Administration

For details, see “— Employee Incentive Plan 2023 — Administration” in this section.

Source of Shares

For details, see “— Employee Incentive Plan 2023 — Source of Shares” in this section.

Maximum Number of Shares

The number of A Shares under the Employee Incentive Plan 2024 shall not exceed 4,541,000 Shares, accounting for 0.40% of the total share capital of the Company on the date of publication of the plan. The total number of A Shares involved with all incentive plans of the Company shall not exceed 20% of the total outstanding share capital of our Company. The maximum number of Shares granted to any participant under the Employee Incentive Plan 2024 shall not exceed 1% of the total outstanding share capital of our Company.

Term

For details, see “— Employee Incentive Plan 2023 — Term” in this section.

Vesting Period and Purchase Period

The initial restricted shares shall vest in tranches of 35%, 35% and 30% in each of the three vesting periods that occur between the first trading date after 12 months from the date of grant and the last trading day up to 48 months from the date of grant, respectively, upon meeting both company performance targets (gross profit) and individual performance evaluations against the specific and applicable KPIs. The reserved restricted shares shall vest in tranches of 50% and 50% in each of the two vesting periods that occur between the first trading date after 12 months from the date of grant and the last trading day up to 36 months from the date of grant, respectively, subject to performance targets identical as those of the initial grants. The employees must maintain continuous employment throughout the vesting period.

The Grantees will have the right to be registered as a Shareholder on the date of the vesting of the restricted shares upon payment of the relevant purchase price to subscribe for such number of underlying A Shares.

Purchase Price

As of the Latest Practicable Date, the purchase price of the initial and reserved restricted shares granted under the Employee Incentive Plan 2024 is RMB26.01 per A Share. For details of adjustment, see “— Employee Incentive Plan 2023 — Purchase Price” in this section.

Consideration upon grant is not applicable to restricted shares granted pursuant to the Employee Incentive Plan 2024.

Core Management Incentive Plan

Summary

The Core Management Incentive Plan, together with the total new A Shares issuable thereunder, has been approved by Shareholders. As of the date of this Prospectus, our Company has granted outstanding restricted shares under the Core Management Incentive Plan to 2 Grantees, entitling them to subscribe for an aggregate of 22,800,000 A Shares, representing approximately 1.88% of the total number of Shares in issue immediately after completion of the Global Offering (assuming the Over-Allotment Option is not exercised, no new Shares are issued under the Employee Incentive Plans and no other changes are made to the issued share capital of the Company between the Latest Practicable Date and the Listing). All the outstanding restricted shares are granted to 2 Directors (Dr. Howard C. Yang and Mr. Stephen Tai).

The following is a summary of the principal terms of the Core Management Incentive Plan as of the Latest Practicable Date:

Purpose

The purpose of the Core Management Incentive Plan is to further improve the company's long-term incentive mechanism and achieve long-term incentives and constraints for the core executives appointed by the third board of directors, it is essential to closely align their personal interests with the company's long-term development and shareholders' rights and interests. This aims to fully leverage their experience and advantages in management while striving to enhance the company's performance and steadily increase its market value, thus realizing high-quality and sustainable development for the enterprise and maximizing shareholder benefits.

Type of Awards

The Core Management Incentive Plan provides for, among others, awards of restricted shares.

Scope of Participants

The incentive targets are the core senior management appointed by the Board (excluding independent directors, supervisors, shareholders who individually or collectively hold more than 5% of the Shares of the listed company, the actual controller of the listed company and their spouses, parents, and children). The Core Management Incentive Plan (including the grantees who fall within the scope of the incentive targets under the Core Management Incentive Plan) has been approved by the Remuneration and Evaluation Committee, and the list of grantees has been reviewed by the then supervisory board of the Company and publicly announced in the Company.

Administration

For details, see “— Employee Incentive Plan 2023 — Administration” in this section.

Source of Shares

For details, see “— Employee Incentive Plan 2023 — Source of Shares” in this section.

Maximum Number of Shares

The number of restricted shares under the Core Management Incentive Plan shall not exceed 22,800,000 Shares, accounting for 1.9956% of the total share capital of the Company on the date of publication of the plan. The total number of A Shares involved with all incentive plans of the Company shall not exceed 20% of the total outstanding share capital of our Company. The maximum number of Shares granted to any participant under the Core Management Incentive Plan shall not exceed 1% of the total outstanding share capital of our Company.

Term

The Core Management Incentive Plan has a term of not more than 67 months, beginning from the grant date until all restricted shares are registered under the name of the relevant grantee upon completion of the last vesting schedule of the plan.

Vesting Period and Purchase Period

The restricted shares shall vest over two periods, with 50% vesting from April 1, 2027 to March 31, 2028, and 50% vesting from April 1, 2028 to March 31, 2030, upon meeting both company performance targets (net profit and market value) and individual performance evaluations against the specific and applicable KPIs.

The Grantees will have the right to be registered as a Shareholder on the date of the vesting of the restricted shares upon payment of the relevant purchase price to subscribe for such number of the underlying A Shares.

Purchase Price

The purchase price of the restricted shares granted under the Core Management Incentive Plan is RMB45.91 per A Share. For details of adjustment, see “— Employee Incentive Plan 2023 — Purchase Price” in this section.

Consideration upon grant is not applicable to restricted shares granted pursuant to the Core Management Incentive Plan.

Outstanding restricted Shares Granted

There were no grants made to Directors, senior management or connected person of the Company under the Employee Incentive Plan 2023. The table below sets forth the details of the outstanding restricted shares granted to employees of the Group under the Employee Incentive Plan 2023:

	Initial Date of Grant	Number of Outstanding Restricted Shares	Purchase Price per Restricted Share (RMB)	Approximate Percentage in the Issued Shares Immediately after the Global Offering ⁽¹⁾
14 employees who have been granted restricted shares in relation to 10,000 A Shares or more	June 29, 2023	234,407	18.81	0.02%
12 employees who have been granted restricted shares in relation to 5,000-9,999 A Shares	June 29, 2023	90,620	18.81	0.01%

	Initial Date of Grant	Number of Outstanding Restricted Shares	Purchase Price per Restricted Share (RMB)	Approximate Percentage in the Issued Shares Immediately after the Global Offering ⁽¹⁾
123 employees who have been granted restricted shares in relation to 1-4,999 A Shares	June 29, 2023	307,030	18.81	0.03%
Total: 149 employees. . .		632,057		0.05%

Note:

- (1) Assuming the Over-allotment Option is not exercised, no new Shares are issued under the Employee Incentive Plans and no other changes are made to the issued share capital of the Company between the Latest Practicable Date and the Listing.

There were no grants made to Directors, senior management or connected person of the Company under the Employee Incentive Plan 2024. The table below sets forth the details of the outstanding restricted shares granted to employees of the Group under the Employee Incentive Plan 2024:

	Initial Date of Grant	Number of Outstanding Restricted Shares	Purchase Price per Restricted Share (RMB)	Approximate Percentage in the Issued Shares Immediately after the Global Offering ⁽¹⁾
19 employees who have been granted restricted shares in relation to 20,000 A Shares or more	October 31, 2024	639,040	26.01	0.05%
53 employees who have been granted restricted shares in relation to 10,000-19,999 A Shares.	October 31, 2024	704,005	26.01	0.06%

	Initial Date of Grant	Number of Outstanding Restricted Shares	Purchase Price per Restricted Share (RMB)	Approximate Percentage in the Issued Shares Immediately after the Global Offering ⁽¹⁾
359 employees who have been granted restricted shares in relation to 1-9,999 A Shares	October 31, 2024	1,731,965	26.01	0.14%
Total: 431 employees. . .		3,075,010		0.25%

Note:

- (1) Assuming the Over-allotment Option is not exercised, no new Shares are issued under the Employee Incentive Plans and no other changes are made to the issued share capital of the Company between the Latest Practicable Date and the Listing.

There were no grants made to senior management (who are not Directors) or connected person of the Company under the Core Management Incentive Plan. The table below sets forth the details of the restricted shares granted to Directors under the Core Management Incentive Plan:

Name	Address	Position	Initial Date of Grant	Number of Outstanding Restricted Shares	Purchase Price per Share (RMB)	Approximate Percentage in the Issued Shares Immediately after the Global Offering ⁽¹⁾
Dr. Howard C. Yang (楊崇和) . . .	10D Lane 9 No. 1720, Hongqiao Road Shanghai PRC	Executive Director and Chief Executive Officer	October 31, 2024	11,400,000	45.91	0.94%
Mr. Stephen Tai.	4643 LONGNOOK CT LAS VEGAS NV 89147-4749	Executive Director and the president	October 31, 2024	11,400,000	45.91	0.94%
Total.				22,800,000		1.88%

Note:

- (1) Assuming the Over-allotment Option is not exercised, no new Shares are issued under the Employee Incentive Plans and no other changes are made to the issued share capital of the Company between the Latest Practicable Date and the Listing.

Assuming full vesting of all outstanding restricted shares, the shareholding of our Shareholders immediately following completion of the Global Offering (assuming the Over-allotment Option is not exercised and all restricted shares granted pursuant to the Employee Incentive Plans are to be satisfied by new Shares of the Company) will be diluted by approximately 2.14%.

OTHER INFORMATION

Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of our subsidiaries under the laws of the PRC.

Litigation

As of the Latest Practicable Date, we were 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 any member of our Group, that would have a material and adverse effect on our Group's results of operations or financial conditions, taken as a whole.

Compliance Adviser

Our Company has appointed Altus Capital Limited as the Compliance Adviser in compliance with Rule 3A.19 of the Hong Kong Listing Rules.

Preliminary Expenses

As of the Latest Practicable Date, our Company has not incurred any material preliminary expenses.

Promoters

The promoters of the Company are all of the 44 then shareholders of our Company as of October 12, 2018, immediately before our conversion into a joint stock limited liability company. Within the two years immediately preceding the date of this Prospectus, no cash, securities or other benefit has been paid, allotted or given or is proposed to be paid, allotted or given to the promoters in connection with the Global Offering and the related transactions described in this Prospectus.

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 the H Shares being sold or transferred.

No Material Adverse Change

Our Directors confirm that there has been no material adverse change in the financial or trading position or prospects of the Group since September 30, 2025 (being the date to which the latest consolidated financial statements of our Group were prepared).

Restriction on Share Repurchases

For details of the restrictions on share repurchases by our Company, please refer to “Appendix IV — Summary of Articles of Association” to this Prospectus.

Related Party Transactions

Our Group entered into the related party transactions within the two years immediately preceding the date of this Prospectus as mentioned in “Appendix I — Accountants’ Report — Note 37 Related Party Transactions”.

Qualifications of Experts

The qualifications of the experts (as defined under the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance) who have given their opinion and/or advice in this Prospectus are as follows:

Name	Qualification
China International Capital Corporation Hong Kong Securities Limited (<i>in alphabetical order</i>) . . .	Licensed to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO
Morgan Stanley Asia Limited (<i>in alphabetical order</i>)	Licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities as defined under the SFO

Name	Qualification
UBS Securities Hong Kong Limited (in alphabetical order)	Licensed to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 6 (advising on corporate finance) and Type 7 (providing automated trading services) regulated activities as defined under the SFO
Grandall Law Firm (Shanghai)	Legal adviser to our Company as to PRC law
Ernst & Young.	Certified Public Accountants Registered Public Interest Entity Auditor
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Independent industry consultant
Savills Valuation and Professional Services (China) Limited	Property valuer

As of the Latest Practicable Date, none of the experts named above had any shareholding interest in our Company or any of our subsidiaries or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

Consents of Experts

Each of the experts as referred to “Qualifications of Experts” of this Appendix has given and has not withdrawn their respective written consents to the issue of this Prospectus with the inclusion of their reports and/or letters (as the case may be) and the references to their names included in the form and context in which they are respective included.

Joint Sponsors’ Independence

The Joint Sponsors satisfy the independence criteria applicable to the sponsor set out in Rule 3A.07 of the Listing Rules.

Pursuant to the engagement letter entered into between the Company and the Joint Sponsors, the Joint Sponsors’ fees payable by us to the Joint Sponsors in respect of their services as sponsors in connection with the Listing on the Stock Exchange is USD900,000.

Binding Effect

This Prospectus shall have the effect, if an application is made in pursuance of it, 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.

Bilingual Prospectus

The English and Chinese language versions of this Prospectus are being published separately, in reliance upon the exemption provided under section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

Miscellaneous

Save as disclosed in this Prospectus:

- (a) within the two years preceding the date of this Prospectus: (i) we have not issued nor agreed to issue any share or loan capital fully or partly paid either for cash or for a consideration other than cash; and (ii) no commissions, discounts, brokerage fee or other special terms have been granted in connection with the issue or sale of any shares of our Company;
- (b) no share or loan capital of our Company is under option or is agreed conditionally or unconditionally to be put under option;
- (c) we have not issued nor agreed to issue any founder shares, management shares or deferred shares;
- (d) there are no arrangements under which future dividends are waived or agreed to be waived;
- (e) there are no procedures for the exercise of any right of pre-emption or transferability of subscription rights;
- (f) 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;
- (g) there have been no interruptions in our business which may have or have had a significant effect on our financial position in the last 12 months;
- (h) there are no restrictions affecting the remittance of profits or repatriation of capital by us into Hong Kong from outside Hong Kong;

- (i) save for the A Shares that are listed on the Shanghai Stock Exchange STAR Market, 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;
- (j) our Company has no outstanding convertible debt securities or debentures;
- (k) our Company is a joint stock limited company and is subject to the PRC Company Law; and
- (l) our Company has adopted a code of conduct regarding Directors' securities transactions on terms as required under the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules.

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to a copy of this Prospectus and delivered to the Registrar of Companies in Hong Kong for registration were:

- (a) a copy of each of the material contracts referred to in “Statutory and General Information — Further Information about our Business — Summary of Material Contracts” in Appendix V to this Prospectus; and
- (b) the written consents referred to in “Statutory and General Information — Other Information — Consents of Experts” in Appendix V to this Prospectus.

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be published on the Stock Exchange’s website at www.hkexnews.hk and the Company’s website at www.montage-tech.com during a period of 14 days from the date of this Prospectus:

- (a) the Articles of Association;
- (b) the Accountants’ Report from Ernst & Young, the text of which is set out in Appendix I to this Prospectus;
- (c) the audited consolidated financial statements of our Group for the years ended December 31, 2022, 2023 and 2024, and the nine months ended September 30, 2025;
- (d) the report from Ernst & Young on the unaudited pro forma financial information of our Group, the text of which is set out in Appendix II to this Prospectus;
- (e) the letters in respect of the profit estimate of our Group from Ernst & Young, the reporting accountants, and China International Capital Corporation Hong Kong Securities Limited, Morgan Stanley Asia Limited and UBS Securities Hong Kong Limited, the Joint Sponsors, the texts of which are set out in Appendix IIA to this Prospectus;
- (f) the letter and summary disclosure of property valuation relating to the property interests of our Group prepared by Savills Valuation and Professional Services (China) Limited, the texts of which are set out in Appendix III to this Prospectus;
- (g) the material contracts referred to in “Appendix V — Statutory and General Information — Further Information about our Business — Summary of Material Contracts” in this Prospectus;

- (h) the written consents referred to in “Appendix V — Statutory and General Information — Other Information — Consents of Experts” in this Prospectus;
- (i) the service contracts referred to in “Appendix V — Statutory and General Information — Further Information about our Directors, Chief Executive and Substantial Shareholders — Particulars of Directors’ Service Contracts” in this Prospectus;
- (j) the legal opinions issued by Grandall Law Firm (Shanghai), our PRC Legal Adviser, in respect of, among other things, certain matters of our Group under the PRC law;
- (k) the industry report issued by Frost & Sullivan (Beijing) Inc., Shanghai Branch Co. referred to in “Industry Overview” in this Prospectus;
- (l) a copy of the following PRC laws and regulations, together with unofficial English translations:
 - (i) the PRC Company Law;
 - (ii) the PRC Securities Law;
 - (iii) the Overseas Listing Trial Measures;
 - (iv) the Rules Governing the Listing of Stocks on the STAR Market of the Shanghai Stock Exchange (Revised in April 2025); and
- (m) the terms of the Employee Incentive Plans.

DOCUMENT AVAILABLE FOR INSPECTION

A copy of a full list of all the grantees under the Employee Incentive Plans will be made available for public inspection at our Company’s Hong Kong legal adviser’s office in Hong Kong at 10/F, The Hong Kong Club Building, 3A Chater Road, Central, Hong Kong, during normal business hours up to and including the date which is 14 days from the date of this Prospectus.



瀾起科技股份有限公司
Montage Technology Co., Ltd.