DELTON

DELTON TECHNOLOGY (GUANGZHOU) INC.
廣州廣合科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
Stock Code: 1989

GLOBAL OFFERING

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

CITIC SECURITIES

滙豐
HSBC

Overall Coordinators, Joint Global Coordinators,
Joint Bookrunners and Joint Lead Managers
(in alphabetical order)

广发证券
GF SECURITIES

华泰国际
HUATAI INTERNATIONAL

Joint Global Coordinator, Joint Bookrunner and Joint Lead Manager

国联证券国际
GUOLIAN SECURITIES INTERNATIONAL

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

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Delton Technology (Guangzhou) Inc.
廣州廣合科技股份有限公司

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GLOBAL OFFERING

Number of Offer Shares under the Global Offering	:	**46,000,000 H Shares**
Number of Hong Kong Offer Shares	:	**4,600,000 H Shares (subject to reallocation)**
Number of International Offer Shares	:	**41,400,000 H Shares (subject to reallocation)**
Maximum Offer Price	:	**HK$71.88 per H Share, plus brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015% (payable in full on application in Hong Kong dollars and subject to refund)**
Nominal value	:	**RMB1.00 per H Share**
Stock code	:	**1989**

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

CITIC SECURITIES

滙豐 HSBC

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

A copy of this Prospectus, having attached thereto the documents specified in "Documents Delivered to the Registrar of Companies and Available on Display — 1. Documents Delivered to the Registrar of Companies" in Appendix VII, 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). Neither the Securities and Futures Commission of Hong Kong nor the Registrar of Companies in Hong Kong takes any 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 Sponsor-Overall Coordinators (for themselves and on behalf of the Overall Coordinators and the Underwriters) and us on or around Wednesday, March 18, 2026. The Offer Price will be no more than HK$71.88 per Offer Share. If, for any reason, the Offer Price is not agreed by 12:00 noon on Wednesday, March 18, 2026, the Global Offering will not proceed and will lapse.

The Sponsor-Overall Coordinators (for themselves and on behalf of other Overall Coordinators and the Underwriters) may, with our consent, reduce the number of Offer Shares being offered under the Global Offering at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. See "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" for further details.

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement are subject to termination by the Sponsor-Overall Coordinators (for themselves and on behalf of the Overall Coordinators and the Hong Kong Underwriters) if certain grounds arise prior to 8:00 a.m. on the Listing Date. See "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for termination" for further details.

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, except pursuant to an available exemption from, or in transactions not subject to, the registration requirements of the U.S. Securities Act. The Offer Shares are being offered and sold outside the United States in offshore transactions in reliance on 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 to the public.

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

March 12, 2026

IMPORTANT NOTICE TO INVESTORS:
FULLY ELECTRONIC APPLICATION PROCESS

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

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.delton.com.cn. 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 via the **HK eIPO White Form** service at **www.hkeipo.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 stated above.

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

If you are applying through the **HK eIPO White Form** service, you may refer to the table below for the amount payable for the number of H Shares you have selected. You must pay the respective maximum amount payable on application in full upon application for Hong Kong Offer Shares.

If you are applying through the **HKSCC EIPO** channel, you are required to pre-fund your application based on the amount specified by your broker or custodian, as determined based on the applicable laws and regulations in Hong Kong.

No. of Hong Kong Offer Shares applied for	Maximum Amount payable(2) on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable(2) on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable(2) on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable(2) on application/ successful allotment
	HK$		*HK$*		*HK$*		*HK$*
100	7,260.49	2,000	145,209.82	10,000	726,049.10	300,000	21,781,472.95
200	14,520.98	2,500	181,512.27	20,000	1,452,098.20	400,000	29,041,963.92
300	21,781.47	3,000	217,814.72	30,000	2,178,147.29	500,000	36,302,454.90
400	29,041.96	3,500	254,117.18	40,000	2,904,196.39	600,000	43,562,945.88
500	36,302.45	4,000	290,419.63	50,000	3,630,245.49	700,000	50,823,436.85
600	43,562.94	4,500	326,722.10	60,000	4,356,294.59	800,000	58,083,927.85
700	50,823.44	5,000	363,024.55	70,000	5,082,343.69	900,000	65,344,418.82
800	58,083.93	6,000	435,629.46	80,000	5,808,392.79	1,000,000	72,604,909.80
900	65,344.43	7,000	508,234.37	90,000	6,534,441.88	1,500,000	108,907,364.70
1,000	72,604.91	8,000	580,839.28	100,000	7,260,490.98	2,000,000	145,209,819.60
1,500	108,907.36	9,000	653,444.19	200,000	14,520,981.95	2,300,000(1)	166,991,292.55

Notes:

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

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

*Should there be any changes to the dates mentioned in the following expected timetable of the Hong Kong Public Offering, an announcement will be made and published on the website of the Stock Exchange at **www.hkexnews.hk** and our website at **www.delton.com.cn** of the revised timetable.*

Hong Kong Public Offering commences . . . . 9:00 a.m. on Thursday, March 12, 2026

Latest time for completing electronic applications under the **HK eIPO White Form** service through the designated website at **www.hkeipo.hk**[2] . . . . 11:30 a.m. on Tuesday, March 17, 2026

Application lists open[3] . . . . 11:45 a.m. on Tuesday, March 17, 2026

Latest time for (a) completing payment for **HK eIPO White Form** applications by effecting internet banking transfer(s) or PPS payment transfer(s) and (b) giving **electronic application instructions** to HKSCC . . . . 12:00 noon on Tuesday, March 17, 2026

If you are instructing your **broker** or **custodian** who is a HKSCC Participant to apply for Hong Kong Offer Shares on your behalf, you are advised to contact your broker or **custodian** for the latest time for giving such instructions, which may be different from the latest time as stated above.

Application lists close[3] . . . . 12:00 noon on Tuesday, March 17, 2026

Expected Price Determination Date[4] . . . . at or before 12:00 noon on Wednesday, March 18, 2026

Announcement of the final Offer Price, the level of applications in the Hong Kong Public Offering, the level of indications of interest in the International 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 our website at **www.delton.com.cn** by[5] . . . . 11:00 p.m. on Thursday, March 19, 2026

Results of allocation in the Hong Kong Public Offering to be available through a variety of channels as described in "How to Apply for Hong Kong Offer Shares — B. Publication of Results," including through:

(1) in the announcement to be posted on our website and the website of the Stock Exchange at **www.delton.com.cn** and **www.hkexnews.hk** respectively .... at or before 11:00 p.m. on Thursday, March 19, 2026

(2) from the "Allotment Results" page at the designated results of allocations website at **www.hkeipo.hk/IPOResult** (or **www.tricor.com.hk/ipo/result**) with a "search by ID" function on a 24-hour basis from .... 11:00 p.m. on Thursday, March 19, 2026 to 12:00 midnight on Wednesday, March 25, 2026

(3) the allocation results telephone enquiry line by calling +852 3691 8488 .... between 9:00 a.m. and 6:00 p.m. from Friday, March 20, 2026 to Wednesday, March 25, 2026 on a business day

For those applying through HKSCC EIPO channel, you may also check with your broker or custodian from .... 6:00 p.m. on Wednesday, March 18, 2026

H Share certificates in respect of wholly or partially successful applications to be dispatched or deposited into CCASS on or before[6][7] .... Thursday, March 19, 2026

HK eIPO White Form e-Auto Refund payment instructions or refund checks in respect of wholly or partially unsuccessful applications (or wholly successful applications, if applicable) to be dispatched on or before[8] .... Friday, March 20, 2026

Dealings in H Shares on the Stock Exchange to commence at .... 9:00 a.m. on Friday, March 20, 2026

Notes:

(1) All dates and times refer to Hong Kong local dates and times.

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

(3) If there is/are a tropical cyclone warning signal number 8 or above, a "black" rainstorm warning signal and/or Extreme Conditions in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Tuesday, March 17, 2026, the application lists will not open or close on that day. See "How to Apply for Hong Kong Offer Shares — E. Severe Weather Arrangements."

(4) The Offer Price is expected to be determined on or before Wednesday, March 18, 2026 (which, at the earliest, could be Wednesday, March 18, 2026) and in any event not later than 12:00 noon on Wednesday, March 18, 2026. If, for any reason, the Offer Price is not agreed between the Sponsor-Overall Coordinators (for themselves and on behalf of other Overall Coordinators and the Underwriters) and our Company by 12:00 noon on Wednesday, March 18, 2026, the Global Offering will not proceed and will lapse.

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

(6) Applicants being individuals must not authorize any other person to collect on their behalf. Applicants being corporations must attend by their respective authorized representative bearing a letter of authorization from the corporation stamped with the corporation's chop. Evidence of identity acceptable to the H Share Registrar, Tricor Investor Services Limited, must be produced at the time of collection. Uncollected H Share certificate(s) will be sent to the addresses specified in the relevant application instructions by ordinary post at the applicants' own risk. See "How to Apply for Hong Kong Offer Shares — D. Dispatch/Collection of H Share Certificates and Refund of Application Monies."

(7) The H Share certificates will only become valid evidence of title at 8:00 a.m. on the Listing Date, which is expected to be Friday, March 20, 2026, provided that the Global Offering has become unconditional in all respects and the right of termination described in "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination" has not been exercised. Investors who trade H Shares prior to the receipt of H Share certificates or prior to the H Share certificates becoming valid evidence of title do so entirely at their own risk.

(8) **HK eIPO White Form** e-Auto Refund payment instructions or refund checks will be issued in respect of wholly or partially unsuccessful applications pursuant to the Hong Kong Public Offering and in respect of wholly successful applications in the event that the Offer Price is less than the price payable per H 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.

The above expected timetable is a summary only. For details of the structure of the Global Offering, including its conditions, and the procedures for applications for Hong Kong Offer Shares, see "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares," respectively.

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

IMPORTANT NOTICE TO PROSPECTIVE INVESTORS

This Prospectus is issued by our Company solely in connection with the Hong Kong Public Offering and 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, and does not constitute, an offer or invitation in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Offer Shares 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 and the offering of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions 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 made in this Prospectus must not be relied on by you as having been authorized by us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Capital Market Intermediaries, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of our or their respective directors, officers, employees, agents, or representatives or any other person or party involved in the Global Offering.

CONTENTS

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, and is qualified in its entirety by and should be read in conjunction with, the full text of this Prospectus. You should read the whole document before you decide to invest in the Offer Shares.

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

OVERVIEW

Who We Are

We primarily develop, manufacture and sell customized printed circuit boards ("**PCBs**") for high performance servers and other computing applications. High performance servers undertake core computing tasks and are specifically designed for compute-intensive tasks, with their core function being the efficient processing of large-scale data, complex algorithms, and compute-intensive operations. PCBs, providing a physical mounting platform for components and enabling mechanical fixation and electrical connectivity between components through conductive traces and solder pads, serve as a critical component of electronics manufacturing. For further details, see "Industry Overview — Overview of Printed Circuit Board Industry."

According to Frost & Sullivan, we ranked third among high performance server PCB manufacturers globally, and ranked first among high performance server PCB manufacturers headquartered in the Chinese Mainland based on the cumulative revenue from high performance server PCBs from 2022 to 2024. In 2022, 2023, 2024, and the nine months ended September 30, 2024 and 2025, our revenue from computing application PCBs (mainly for high performance servers, including AI servers and general-purpose servers) amounted to RMB1,635.3 million, RMB1,858.2 million, RMB2,705.6 million, RMB1,961.7 million and RMB2,833.2 million, representing 67.8%, 69.4%, 72.5%, 73.2% and 73.9% of our total revenue in the same period, respectively.

Our Market Opportunities

According to Frost & Sullivan, the global demand for comprehensive electronic devices continues to rise, driven by the growing adoption of AI and the expansion of datacenters, Internet of Vehicles, robotics, and Internet of Things ("**IoT**") applications. As critical components in electronic products, PCBs have substantial growth opportunities. Such market growth is primarily driven by the following factors: (i) growing global demand for computing power drives the market of computing application PCBs, (ii) development in industrial control and automotive electronics steadily increases demand for industrial application PCBs, and (iii) upgrade and continual innovation in consumer electronics support stable growth for consumer application PCBs. For details, see "Business — Overview — Our Market Opportunities."

OUR PRODUCTS

We provide (i) computing application PCBs, (ii) industrial application PCBs, and (iii) consumer application PCBs. For details of our key products as of the Latest Practicable Date, please see "Business — Our Products."

OUR STRENGTHS

We believe that the following strengths contribute to our success: (i) A globally leading manufacturer of critical components for high performance servers, positioned to benefit from robust growth driven by the AI era; (ii) Long-term partnerships with leading global downstream customers; (iii) Robust R&D capabilities and proven technological innovation; (iv) Rapid and customized product delivery capabilities through joint design manufacturing; and (v) Experienced and visionary management team.

OUR STRATEGIES

We are implementing the following strategies: (i) Market strategy: expanding and deepening our global presence; (ii) Operation strategy: expanding high-value added product portfolio and enhancing intelligent manufacturing; and (iii) Talent strategy: building a tiered talent pipeline.

RESEARCH AND DEVELOPMENT

We have focused our R&D on developing and customizing PCBs for computing applications. We continue to build our technological capabilities through researching on (i) materials, which allows us to select, validate and apply optimal PCB materials based on nuanced customer specifications, reducing our response times thereby capturing emerging market opportunities in an efficient manner; (ii) manufacturing processes, in which we develop processes tailored to high performance server PCBs, with continual refinements to satisfy evolving and customized market demands; and (iii) product development, in which we develop a joint design manufacturing (the "**JDM**") model that allows us to closely collaborate with global leading server manufacturer customers throughout their product development process. For further details, please see "Business — Research and Development."

SALES AND MARKETING

Our Sales Network

We primarily sell our products through direct sales. Our direct sales customers consist mainly of (i) end product brands, as the brand-owning companies that design, brand and market their electronic products, and (ii) EMS providers, which manufacture and assemble products based on specifications and designs from the end product brands. Under our sales model with EMS providers, EMS providers directly place orders with us in some cases, while in other cases the end product brand owners designate EMS providers to place orders with us. Most of the products sold through direct sales feature customized specifications as requested directly by our direct sales customers. This approach allowed us to deliver tailored products and work closely to the needs of our direct sales customers.

We also sell to trading partners to extend our market reach and efficiently serve smaller-scale end customers and end customers in certain regions. Besides, we also sell a small portion of our products to other PCB manufacturers. We also collaborate with sales partners to reinforce our relationship with our direct sales customers. Sales partner is not sales agent and mainly supports us in market development and service support, facilitating introductions and interactions between us and potential customers. We believe our diversified sales channels enable us to maintain stable demand and expand our market presence. For further details, see "Business — Sales and Marketing — Our Sales Partner."

The following table sets forth a breakdown of the number of customers for our PCB products by sales channel for the periods indicated:

	Year ended December 31,			Nine months ended September 30,
	2022	2023	2024	2025
Direct sales customers[1]	118	130	138	155
Trading partners[1][2]	32	43	31	32
PCB manufacturers[1]	19	17	14	15
Total	**169**	**190**	**183**	**202**

Notes:

(1) Refers to the number of customers from whom we recognized revenue in the respective year.

(2) We engage with trading partners on an order-by-order basis, through individually issued purchase orders, rather than formal distribution agreements. Accordingly, during the Track Record Period, there were no terminations of business relationships involved in relation to our business relationship with trading partners.

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

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*
							(Unaudited)			
PCB										
Direct sales[1]	2,128,796	88.2	2,375,709	88.7	3,366,432	90.1	2,437,324	90.9	3,471,073	90.5
Sales through trading partners	105,760	4.4	117,931	4.4	105,059	2.8	76,179	2.9	99,563	2.6
Sales to PCB manufacturers	37,230	1.6	43,496	1.6	7,889	0.3	5,732	0.2	4,095	0.1
Subtotal	**2,271,786**	**94.2**	**2,537,136**	**94.7**	**3,479,380**	**93.2**	**2,519,235**	**94.0**	**3,574,731**	**93.2**
Other products[2]	**140,601**	**5.8**	**141,134**	**5.3**	**254,905**	**6.8**	**161,425**	**6.0**	**260,398**	**6.8**
Total	**2,412,387**	**100.0**	**2,678,270**	**100.0**	**3,734,285**	**100.0**	**2,680,660**	**100.0**	**3,835,129**	**100.0**

Notes:

(1) Revenue generated from direct sales involving sales partner amounted to RMB1,150.0 million, RMB1,385.4 million, RMB1,789.8 million, RMB1,291.0 million and RMB1,411.8 million, in 2022, 2023, 2024, and the nine months ended September 30, 2024 and 2025, respectively.

(2) Other products were sold through our direct sales channel.

OUR PRODUCTION

Our principal production facilities are located in Guangdong Province and Hubei Province, China, namely the Guangzhou base and the Huangshi base.

The table below sets forth our designed production capacity, actual production volume and utilization rate for the years indicated:

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
Guangzhou base					
– Designed production capacity (ten thousand sq. m.)[1]	95.4	91.7[2]	100.3[3]	75.2	78.0
– Actual production volume (ten thousand sq. m.)	86.1	76.8	92.3	67.0	77.0
– Utilization rate (%)[4]	90.2	83.7[5]	92.1	89.1	98.7
Huangshi base					
– Designed production capacity (ten thousand sq. m.)[6]	56.0	83.4	87.3	65.5	72.4
– Actual production volume (ten thousand sq. m.)	30.9	49.1	56.4	41.9	55.2
– Utilization rate (%)	55.1	58.9	64.7	64.0	76.3
Thai base					
– Designed production capacity (ten thousand sq. m.)	–	–	–	–	15.0
– Actual production volume (ten thousand sq. m.)	–	–	–	–	1.8
– Utilization rate (%)	–	–	–	–	12.0[7]

Notes:

(1) Designed production capacity of the year is calculated based on the following assumptions: (i) 300 operational days per year and 225 days per nine months, and (ii) 24 operating hours per day. The calculation of production capacity excludes (i) production lines which were suspended for maintenance/technical upgrades and (ii) newly launched production lines which were undergoing a test period.
The designed production capacity of our production bases affected by the types and production requirements of the PCBs being manufactured. The same production lines may be utilized for manufacturing PCBs of varying specifications, complexity and layer counts, which can result in variations in production capacity. In addition, during the Track Record Period, we periodically allocated sales orders between our Guangzhou base and Huangshi base based on product specifications and applications. Specifically, the Huangshi base primarily handles consumer and industrial-application PCBs, as well as certain mid- to low-end server PCBs, while the Guangzhou base primarily focuses on high-end server PCBs. This allocation ensures that each base can optimize its production capacity and meets specific product requirements.

(2) The designed production capacity of our Guangzhou base decreased in 2023, primarily due to the allocation of sales orders for consumer and industrial-application PCBs to the Huangshi base. This led to more production of PCBs with increased complexity, including more layers and higher processing difficulty, resulting in lower designed production capacity.

(3) The designed production capacity of our Guangzhou base increased in 2024 as the Dongguan facility of the Guangzhou base began operations, allowing for the relocation of certain processing steps to the Dongguan facility. Such reallocation facilitated capacity enhancement of the Guangzhou base and expanded the production capacity along with the utilization rate through technological upgrades.

(4) Utilization rate is calculated by dividing actual production volume by the designed production capacity.

(5) The utilization rate of our Guangzhou base decreased from 90.2% in 2022 to 83.7% in 2023, primarily due to certain sales orders for the Guangzhou base being allocated to our Huangshi base for production in 2023.

(6) The designed production capacity of our Huangshi base increased from 2022 to 2023, and remained relatively stable in 2024, primarily because the Huangshi base was in a production ramp-up phase, which resulted in a then relatively lower designed production capacity in 2022.

(7) The utilization rate of our Thai production base was relatively low for the nine months ended September 30, 2025. The base only commenced commercial production in June 2025 and remained in the ramp-up phase during the period. Certain production equipment and facilities were still undergoing testing, validation and progressive commissioning, and not all production lines had reached full operational status.

To enhance our production capabilities and global reach, we have established a production facility in Thailand, which commenced production by the end of June 2025. For further details of our production bases and production capacity, actual output and utilization rate, please see “Business — Production.”

CUSTOMERS AND SUPPLIERS

During each year/period of the Track Record Period, revenue generated from our five largest customers amounted to RMB1,533.6 million, RMB1,756.7 million, RMB2,291.9 million and RMB2,270.7 million, respectively, accounting for 63.6%, 65.6%, 61.4% and 59.3% of our total revenue in the same periods, respectively. Revenue from our largest customer in each year/period of the Track Record Period accounted for 26.5%, 26.6%, 24.6% and 18.0% of our total revenue in the same periods, respectively. Our Directors are of the view that we are not subject to any material end-customer or industry concentration that would have a material adverse impact on our business operation and financial performance. See “Business — Our Customers” for further details.

Our suppliers primarily consisted of raw material suppliers. In each year/period of the Track Record Period, the total purchase amount from our five largest suppliers amounted to RMB668.3 million, RMB766.0 million, RMB1,222.3 million and RMB1,325.9 million, respectively, accounting for 53.7%, 58.2%, 63.1% and 59.8% of our total purchase amount in the same periods, respectively. Purchases from our largest supplier in each year/period of the Track Record Period accounted for 29.0%, 25.6%, 22.1% and 19.8% of our total purchase amount in the same periods, respectively. See “Business — Our Suppliers — Our Major Suppliers” for further details.

COMPETITIVE LANDSCAPE

We operate in a competitive and technology-intensive industry, where global customers demand more advanced, higher-reliability, and application-specific PCBs. We compete with global PCB manufacturers, especially high-layer-count PCBs and high-level HDI PCBs for computing application. According to Frost & Sullivan, Chinese computing application PCB manufacturers have established a strong foothold in the global market. Manufacturers from Taiwan and the Chinese Mainland occupy the leading position in the global high performance server PCB industry. There is intense local competition among PRC PCB manufacturers, and each manufacturer has its own differentiated competitive strategy. Technological innovation, customer resources and cost control are key factors in competition. As PCB manufacturers from the Chinese Mainland gain increasing recognition from global customers, their global market share is expected to grow steadily. See “Industry Overview” for further details.

RISK FACTORS

We believe there are certain risks and uncertainties involved in our operations, some of which are beyond our control. These risks include, among others, the following: (i) Our products are widely used by customers of various industries and sectors. Supply-demand dynamics and other macro-economic factors that affect these industries and sectors where our products are used may in turn impact our business, financial condition and results of operations; (ii) If we are unable to appropriately address the technological development and advancement in the industries and sectors where our products are used, our business, financial condition and results of operations could be materially and adversely affected; (iii) We have been and intend to continue investing significantly in R&D activities, and the development cycles of our products can be long, which may impact our profitability and operating cash flow and may not generate the results we expect to achieve; and (iv) Our success relies on the continued services and contributions from key management and other highly qualified personnel with specialized skills, including senior R&D personnel and skilled engineers.

SUMMARY OF HISTORICAL AND FINANCIAL INFORMATION

The summary of consolidated financial information should be read together with the consolidated financial information to the Accountants' Report set out in Appendix I to this Prospectus, including the accompanying notes and the information set out in "Financial Information" in this Prospectus.

Summary of Consolidated Statements of Profit or Loss

The following table sets out key items of our consolidated statements of profit or loss for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000* *(unaudited)*	*(%)*	*RMB'000*	*(%)*
REVENUE	**2,412,387**	**100.0**	**2,678,270**	**100.0**	**3,734,285**	**100.0**	**2,680,660**	**100.0**	**3,835,129**	**100.0**
Cost of sales	(1,783,719)	(73.9)	(1,786,428)	(66.7)	(2,487,825)	(66.6)	(1,787,983)	(66.7)	(2,498,591)	(65.2)
Gross profit	**628,668**	**26.1**	**891,842**	**33.3**	**1,246,460**	**33.4**	**892,677**	**33.3**	**1,336,538**	**34.8**
Other income and gains	84,710	3.5	32,595	1.2	91,212	2.4	35,420	1.3	49,315	1.3
Selling and marketing expenses	(69,018)	(2.9)	(85,287)	(3.2)	(106,620)	(2.9)	(76,638)	(2.9)	(91,516)	(2.4)
Administrative expenses	(104,522)	(4.3)	(118,538)	(4.4)	(157,491)	(4.2)	(92,746)	(3.5)	(174,038)	(4.4)
Research and development costs	(115,095)	(4.8)	(120,589)	(4.5)	(179,197)	(4.8)	(130,512)	(4.9)	(193,920)	(5.1)
Other expenses	(102,432)	(4.2)	(89,213)	(3.3)	(116,016)	(3.1)	(60,259)	(2.2)	(88,449)	(2.3)
Finance costs	(11,666)	(0.5)	(13,927)	(0.5)	(15,867)	(0.4)	(11,942)	(0.4)	(14,466)	(0.4)
PROFIT BEFORE TAX	**310,645**	**12.9**	**496,883**	**18.6**	**762,481**	**20.4**	**556,000**	**20.7**	**823,464**	**21.5**
Income tax expense	(30,994)	(1.3)	(82,197)	(3.1)	(86,381)	(2.3)	(63,505)	(2.3)	(99,645)	(2.6)
PROFIT FOR THE YEAR/PERIOD	279,651	11.6	414,686	15.5	676,100	18.1	492,495	18.4	723,819	18.9
OTHER COMPREHENSIVE INCOME	–	–	–	–	4,162	0.1	–	–	(5,757)	(0.2)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR/PERIOD	**279,651**	**11.6**	**414,686**	**15.5**	**680,262**	**18.2**	**492,495**	**18.4**	**718,062**	**18.7**

Non-IFRS Measures

To supplement our consolidated financial statements that are presented in accordance with IFRS Accounting Standards, we also use EBITDA (a non-IFRS measure) as an additional financial measure, which is not required by, or presented in accordance with, IFRS Accounting Standards. We define EBITDA (a non-IFRS measure) as profit for the year/period adjusted by adding back (i) net finance costs, (ii) income tax expenses and (iii) depreciation and amortization. We believe that this non-IFRS measure facilitates comparisons of operating performance from period to period by eliminating potential impacts of certain items.

The following table sets forth a reconciliation of our EBITDA (non-IFRS measure) to profit for the year/period in respect of the years/periods indicated:

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Profit for the year/period	**279,651**	**414,686**	**676,100**	**492,495**	**723,819**
Adjustments:					
Income tax expense	30,994	82,197	86,381	63,505	99,645
Net finance costs	10,112	9,454	(1,486)	(346)	(411)
Depreciation and amortization	144,703	168,584	176,833	132,979	163,197
EBITDA (a non-IFRS measure)	**465,460**	**674,921**	**937,828**	**688,633**	**986,250**

Profit for the Year/Period

Our profit for the year/period increased by 48.3% from RMB279.7 million in 2022 to RMB414.7 million in 2023 and further increased by 63.0% to RMB676.1 million in 2024 and our profit for the year/period increased by 47.0% from RMB492.5 million in the nine months ended September 30, 2024 to RMB723.8 million in the nine months ended September 30, 2025, primarily driven by the increasing demands from our customers for more computing application PCB products.

Revenue

The following table sets forth a breakdown of our revenue by application of PCBs, in absolute amounts and as percentages of our total revenue, for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000* *(unaudited)*	*(%)*	*RMB'000*	*(%)*
PCBs										
Computing application PCBs	1,635,289	67.8	1,858,189	69.4	2,705,557	72.5	1,961,717	73.2	2,833,230	73.9
Industrial application PCBs	290,697	12.1	260,785	9.7	280,768	7.5	194,195	7.2	291,932	7.6
Consumer application PCBs	345,800	14.3	418,162	15.6	493,055	13.2	363,323	13.6	449,569	11.7
Subtotal	**2,271,786**	**94.2**	**2,537,136**	**94.7**	**3,479,380**	**93.2**	**2,519,235**	**94.0**	**3,574,731**	**93.2**
Other Products[1]	**140,601**	**5.8**	**141,134**	**5.3**	**254,905**	**6.8**	**161,425**	**6.0**	**260,398**	**6.8**
Total	**2,412,387**	**100.0**	**2,678,270**	**100.0**	**3,734,285**	**100.0**	**2,680,660**	**100.0**	**3,835,129**	**100.0**

Note:

(1) Other products primarily include recyclable materials such as etching liquids, lamination frames and other production residues.

The table below sets out a breakdown of our revenue by product category, in absolute amounts and as percentages of our total revenue, for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000* (unaudited)	*(%)*	*RMB'000*	*(%)*
PCBs										
Multilayer PCBs										
Six and below layers	553,877	23.0	599,595	22.4	638,373	17.1	496,044	18.5	486,781	12.7
Eight to 16 layers	1,458,483	60.4	1,589,579	59.3	2,107,255	56.4	1,498,637	55.9	2,228,982	58.1
18 and above layers	64,896	2.7	172,208	6.4	391,033	10.5	285,852	10.7	600,079	15.6
Subtotal	**2,077,256**	**86.1**	**2,361,382**	**88.1**	**3,136,661**	**84.0**	**2,280,533**	**85.1**	**3,315,842**	**86.4**
HDI PCBs	**194,530**	**8.1**	**175,754**	**6.6**	**342,719**	**9.2**	**238,702**	**8.9**	**258,889**	**6.8**
Subtotal	**2,271,786**	**94.2**	**2,537,136**	**94.7**	**3,479,380**	**93.2**	**2,519,235**	**94.0**	**3,574,731**	**93.2**
Other Products(1)	**140,601**	**5.8**	**141,134**	**5.3**	**254,905**	**6.8**	**161,425**	**6.0**	**260,398**	**6.8**
Total	**2,412,387**	**100.0**	**2,678,270**	**100.0**	**3,734,285**	**100.0**	**2,680,660**	**100.0**	**3,835,129**	**100.0**

Note:

(1) Other products primarily include recyclable materials such as etching liquids, lamination frames and other production residues.

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

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price
	(sq. m.)	*(RMB per sq.m.)*	*(sq. m.)*	*(RMB per sq.m.)*	*(sq. m.)*	*(RMB per sq.m.)*	*(sq. m.)* (Unaudited)	*(RMB per sq.m.)*	*(sq. m.)*	*(RMB per sq.m.)*
Multilayer PCBs										
Six and below layers	553,729	1,000	703,845	852(1)	760,908	839	604,872	820	527,223	923(2)
Eight to 16 layers	540,267	2,700	454,826	3,495(3)	592,995	3,554	417,110	3,593	633,767	3,517
18 and above layers	8,315	7,805	18,009	9,562	37,878	10,323	27,126	10,519	74,011	8,108(4)
Subtotal	**1,102,311**	**1,884**	**1,176,680**	**2,007**	**1,391,781**	**2,254**	**1,049,108**	**2,174**	**1,235,001**	**2,685**
HDI PCBs	**66,417**	**2,929**	**55,218**	**3,183**	**99,807**	**3,434**	**59,387**	**4,019**	**102,490**	**2,526(5)**
Total	**1,168,727**	**1,944**	**1,231,898**	**2,060**	**1,491,588**	**2,333**	**1,108,544**	**2,273**	**1,337,491**	**2,673**

Notes:

(1) The average selling price of our multilayer PCBs with six and below layers decreased from RMB1,000 per sq.m. in 2022 to RMB852 per sq.m. in 2023, primarily due to a shift in our product mix. This shift is primarily characterized by increased sales of lower-layer LED PCBs and PCBs used in desktop tablet devices, which are typically associated with lower pricing due to relatively simplified design and standardized specifications.

(2) The average selling price of our multilayer PCBs with six and below layers increased from RMB820 per sq.m. in the nine months ended September 30, 2024 to RMB923 per sq.m. in the nine months ended September 30, 2025. This increase was primarily driven by a shift in our product mix, including (i) reduced sales volume of low-layer LED PCBs following a transition towards HDI LED PCBs, (ii) a strategic reduction in sales for PCBs used in desktop tablet devices, and (iii) increased sales of server PCBs which typically command higher average selling prices.

(3) The average selling price of our multilayer PCBs with eight to 16 layers increased from RMB2,700 per sq.m. in 2022 to RMB3,495 per sq.m. in 2023, primarily due to (i) architecture upgrades and process enhancements of our PCB products introduced during the same period in response to upgrades in computing platforms adopted in customers' server products and (ii) increased sales volumes of higher-layer PCBs, particularly those between 14 to 16 layers, which generally command higher selling prices.

(4) The average selling price of our multilayer PCBs with 18 and above layers decreased from RMB10,519 per sq.m. in the nine months ended September 30, 2024 to RMB8,108 per sq.m. in the nine months ended September 30, 2025. This decrease was primarily due to an increased portion of sales of PCBs with relatively lower layer count, driven by (i) increased sales of 18-layer PCBs and (ii) a corresponding decline in the proportion of revenue generated from sales of 28-layer UBBs during the same period.

(5) The average selling price of our HDI PCBs decreased from RMB4,019 per sq.m. in the nine months ended September 30, 2024 to RMB2,526 per sq.m. in the nine months ended September 30, 2025, primarily driven by a shift in our sales structure. This shift reflected (i) reduced sales of higher-priced HDI server PCBs due to changes in customers' business operations needs, and (ii) increased sales of HDI LED PCBs (which replaced conventional low-layer LED PCBs), and HDI industrial control PCBs, both of which typically command relatively lower selling prices.

See "Financial Information — Review of Historical Results of Operations — Revenue" for details of reasons for fluctuations of revenue by product category.

The table below sets forth our revenue generated from sales of PCBs by region, based on the delivery destination of our products, in absolute amounts and as percentages of our total revenue, for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000* *(unaudited)*	*(%)*	*RMB'000*	*(%)*
Sales of PCBs										
Offshore										
Bonded zones[1]	1,130,904	49.8	1,196,070	47.1	1,618,683	46.5	1,199,521	47.6	1,211,324	33.9
Hong Kong[2]	412,309	18.1	387,052	15.3	531,453	15.3	350,873	13.9	765,133	21.4
– Transferred back to the Chinese Mainland	192,803	8.5	173,199	6.8	192,263	5.5	132,767	5.3	86,741	2.4
– Transferred to other Asian countries	76,582	3.4	69,264	2.7	151,874	4.4	95,806	3.8	350,211	9.9
– Transferred to Europe	56,776	2.5	46,947	1.9	48,711	1.4	38,188	1.5	40,490	1.1
– Transferred to America	37,297	1.6	71,021	2.8	124,102	3.6	72,995	2.9	235,871	6.6
– Transferred to other regions	48,851	2.1	26,620	1.1	14,503	0.4	11,117	0.4	51,820	1.4
Taiwan	315,126	13.9	461,668	18.2	524,667	15.1	392,525	15.6	541,219	15.1
Others[3]	19,757	0.9	14,887	0.6	7,950	0.2	6,535	0.3	8,211	0.2
Subtotal	**1,878,096**	**82.7**	**2,059,677**	**81.2**	**2,682,753**	**77.1**	**1,949,454**	**77.4**	**2,525,887**	**70.7**
Chinese Mainland (excluding bonded zones)	**393,690**	**17.3**	**477,459**	**18.8**	**796,627**	**22.9**	**569,781**	**22.6**	**1,048,844**	**29.3**
Total	**2,271,786**	**100.0**	**2,537,136**	**100.0**	**3,479,380**	**100.0**	**2,519,235**	**100.0**	**3,574,731**	**100.0**

Notes:

(1) We deliver our products to bonded zones in accordance with instructions from our customers, as specified under individual purchase orders or sales agreements. Product sales to bonded zones are entitled to the following benefits: (i) goods shipped from bonded zones to overseas markets are exempt from export duties, which reduce the overall cost of exporting products; and (ii) goods transferred between different bonded zones are entitled to a bonded status and are exempt from both tariff and import related taxes. For further details, see "Business — Sales and Marketing — Bonded Zones."

(2) A portion of our products delivered to Hong Kong were subsequently transferred to customers' manufacturing facilities located in the Chinese Mainland, while the others were subsequently transferred to customers' facilities located in other countries in Asia such as Thailand, Malaysia, Singapore, Japan and other regions for further assembly and processing.

Deliveries to Hong Kong are typically conducted under Free on Board ("**FOB**") Hong Kong trade terms as defined under the Incoterms rules published by the International Chamber of Commerce. Under these terms, Hong Kong serves as the designated delivery location, which is generally the port or carrier handover point, while the final destination of the goods is generally specified specifically in shipping documents like bill of lading as well as sales orders.

(3) Others mainly primarily include Thailand and Mexico.

(4) Revenue attributed to product sales to bonded zones as a percentage of our total revenue decreased from 47.6% in the nine months ended September 30, 2024 to 33.9% in the nine months ended September 30, 2025. This decrease was primarily driven by (i) a larger increase in revenue generated from sales of PCBs delivered to the Chinese Mainland, reflecting robust demand from our domestic customer base during the nine months ended September 30, 2025, and (ii) adjustments to delivery arrangements by certain existing customers, who transitioned from bonded zone deliveries to overseas destinations in line with their evolving operational needs.

See "Financial Information — Review of Historical Results of Operations — Revenue — Revenue by Product Delivery Destinations" for details of reasons for fluctuations of revenue by product delivery destinations.

Gross Profit and Gross Profit Margin

The table below sets forth a breakdown of our gross profit and gross profit margin by application of PCBs for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000 Gross Profit	*(%) Gross Margin*	*RMB'000 Gross Profit*	*(%) Gross Margin*	*RMB'000 Gross Profit*	*(%) Gross Margin*	*RMB'000 Gross Profit (unaudited)*	*(%) Gross Margin*	*RMB'000 Gross Profit*	*(%) Gross Margin*
PCBs										
Computing application PCBs	471,272	28.8	705,745	38.0	1,000,985	37.0	740,943	37.8	1,024,485	36.2
Industrial application PCBs	15,185	5.2	22,439	8.6	(2,947)	(1.0)	4,027	2.1	23,179	7.9
Consumer application PCBs	18,739	5.4	35,518	8.5	8,079	1.6	1,606	0.4	44,082	9.8
Subtotal	**505,196**	**22.2**	**763,702**	**30.1**	**1,006,117**	**28.9**	**746,576**	**29.6**	**1,091,746**	**30.5**
Other Products (1)	**123,472**	**87.8**	**128,140**	**90.8**	**240,343**	**94.3**	**146,101**	**90.5**	**244,792**	**94.0**
Total	**628,668**	**26.1**	**891,842**	**33.3**	**1,246,460**	**33.4**	**892,677**	**33.3**	**1,336,538**	**34.8**

Note:

(1) Other products primarily include recyclable materials such as etching liquids, lamination frames and other production residues.

See "Financial Information — Review of Historical Results of Operations — Gross Profit and Gross Profit Margin" for more details.

Summary of Consolidated Statements of Financial Position

	As of December 31,			As of September 30,
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Total non-current assets	1,847,887	2,009,731	2,837,078	3,318,460
Total current assets	1,396,969	1,802,701	2,848,678	3,453,256
Total assets	**3,244,856**	**3,812,432**	**5,685,756**	**6,771,716**
Total non-current liabilities	335,547	426,917	428,988	548,939
Total current liabilities	1,500,235	1,555,201	2,182,922	2,588,826
Total liabilities	**1,835,782**	**1,982,118**	**2,611,910**	**3,137,765**
Net current (liabilities)/ assets	(103,266)	247,500	665,756	864,430
Net assets	**1,409,074**	**1,830,314**	**3,073,846**	**3,633,951**
Share capital	380,000	380,000	425,265	425,235
Treasury shares	–	–	(52,985)	(51,793)
Reserves	1,029,074	1,450,314	2,701,566	3,260,509
Total equity	**1,409,074**	**1,830,314**	**3,073,846**	**3,633,951**

As of December 31, 2022, we recorded net current liabilities of RMB103.3 million, which was primarily attributable to capital expenditures related to the construction of our production facilities in Dongguan and the purchase of equipment for our production facilities in Huangshi, which led to an increase in trade and bills payables as at the end of 2022. We reversed net current liabilities to net current assets of RMB247.5 million as of December 31, 2023, primarily due to the increase in trade and bills receivables of RMB181.9 million and the increase in cash and cash equivalent of RMB149.2 million, partially offset by increase in trade and bills payables of RMB92.4 million. As of December 31, 2022, we had total equity of RMB1,409.1 million. Our total equity increased to RMB1,830.3 million as of December 31, 2023 and increased to RMB3,073.8 million as of December 31, 2024, and further increased to RMB3,634.0 million as of September 30, 2025.

See the "Consolidated Statements of Changes in Equity" to the Accountants' Report in Appendix I to this Prospectus for more details.

Summary of Consolidated Statements of Cash Flows

The following table sets forth selected information from our cash flows for the years/periods indicated:

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Net cash flows generated from operating activities	430,866	527,513	796,285	619,722	759,552
Net cash flows used in investing activities	(455,536)	(424,864)	(1,123,735)	(684,717)	(637,990)
Net cash flows generated from/(used in) financing activities	106,011	43,132	609,070	494,309	(66,632)
Net increase in cash and cash equivalents	**81,341**	**145,781**	**281,620**	**429,314**	**54,930**
Cash and cash equivalents at the beginning of the year/period	106,937	200,047	349,203	349,203	635,071
Effect of foreign exchange rate changes, net	11,769	3,375	4,248	13,603	12,424
Net increase in cash and cash equivalents	81,341	145,781	281,620	429,314	54,930
Cash and cash equivalents at the end of the year/period	**200,047**	**349,203**	**635,071**	**792,120**	**702,425**

RECENT DEVELOPMENT

Subsequent to the Track Record Period and up to the Latest Practicable Date, we are also expanding the production capacity of our Guangzhou base, in particular for the production capacity for HDI PCBs. The expanded production lines are expected to commence production in the fourth quarter of 2026. See also "Future Plans and Use of Proceeds."

Based on our unaudited financial information for the year ended December 31, 2025 set out in Appendix IIB to this prospectus, our revenue increased by 46.9% from RMB3,734.3 million in 2024 to RMB5,485.4 million in 2025, primarily due to the increased market demand from our customers for computing application PCBs as a result of the growth in demand for computing power infrastructures, and our profit for the year increased from RMB676.1 million in 2024 to RMB1,015.8 million in 2025. Our gross profit margin increased from 33.4% in 2024 to 34.4% in 2025, mainly due to the increased sales of HDI PCBs with relatively higher gross profit margin in consumer applications. Our selling and marketing expenses increased by 20.7% to RMB128.7 million, and our administrative expenses increased by 51.9% to RMB239.3 million, and our research and development costs increased by 56.1% to RMB279.8 million in 2025, respectively, in line with our business development and operation needs. As a result of the foregoing, our profit for the year increased by 50.2% to RMB1,015.8 million in 2025. The unaudited financial information in respect of our consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the year ended December 31, 2025 as set out in the section headed "Unaudited Preliminary Financial Information For The Year Ended December 31, 2025" in the Appendix IIB of this prospectus have been agreed by the reporting accountants of our Company to the amounts set out in our draft consolidated financial statements for the year ended December 31, 2025, following their work under Practice Note 730 (Revised) "Guidance for Auditors Regarding Preliminary Announcement of Annual Results" issued by the Hong Kong Institute of Certified Public Accountants. The work performed by the reporting accountants of our Company in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by the reporting accountants of our Company on the unaudited preliminary financial information for the year ended December 31, 2025.

Our Directors confirm that, as of the date of this Prospectus, there has been no material adverse change in our financial or trading position, indebtedness, mortgages, contingent liabilities, guarantees or prospects since September 30, 2025, the end of the period reported on the Accountants' Report in Appendix I to this Prospectus.

Recent U.S.-China Tension on Tariffs

In early 2025, the U.S. government initiated a series of escalating tariffs and trade policies primarily targeting China, leading to retaliatory measures from China. These include the International Emergency Economic Powers Act tariffs, and the reciprocal tariffs. For details and changes in policies, including tariff type and the date of implementation, issued by the U.S. in relation to imports from China, as well as those issued by China in relation to imports from the U.S., please see "Business — Recent Regulation in Relation to Tariffs."

We do not expect the recently U.S.-China tension on tariffs would have a material adverse effect on our business and financial conditions for the following reasons: (i) limited revenue derived from the U.S. Our revenue derived from the United States is limited and accounted for only a small portion of our total revenue during the Track Record Period. In 2022, 2023, 2024, and the nine months ended September 30, 2024 and 2025, revenues generated from products delivered to the United States accounts for approximately 1.2%, 0.3%, 0.1%, 0.1% and 0.1% of the our total revenues in same years, respectively, and (ii) limited procurement of U.S.-origin raw materials. During the Track Record Period, we procured from our suppliers a minimal amount of U.S.-origin prepregs and CCLs. In 2022, 2023, 2024, and the nine months ended September 30, 2024 and 2025, the procurement amount of U.S.-origin prepregs and CCLs accounted for less than 0.01% of our total procurement amounts in the respective years. In addition, we do not have products sold from the U.S. to China.

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios as of the dates or for the years/periods indicated:

	As of or for the year ended December 31,			As of or for the nine months ended September 30
	2022	2023	2024	2025
Current ratio[(1)]	0.9 times	1.2 times	1.3 times	1.3 times
Quick ratio[(2)]	0.7 times	0.9 times	1.1 times	1.1 times
Gearing ratio[(3)]	24.0%	21.5%	13.5%	15.7%
Liability-to-asset ratio[(4)]	56.6%	52.0%	45.9%	46.3%
Trade receivables turnover days[(5)]	103 days	102 days	102 days	103 days
Inventories turnover days[(6)]	93 days	89 days	72 days	66 days
Interest coverage ratio[(7)]	39.9 times	48.5 times	59.1 times	68.2 times
Net margin[(8)]	11.6%	15.5%	18.1%	18.9%

Notes:

(1) Current ratio was calculated by dividing current assets by current liabilities as of the dates indicated.

(2) Quick ratio was calculated by dividing the difference of current assets and inventories by total current liabilities as of the dates indicated.

(3) Gearing ratio was calculated based on total indebtedness (including lease liabilities, interest-bearing bank and other borrowings) divided by total equity and multiplied by 100%.

(4) Liability-to-asset ratio was calculated by dividing total liabilities by total assets.

(5) Trade receivables turnover days were calculated based on the average of opening and closing balance of trade receivables (before impairment) for the relevant year/period, divided by the revenue for the same year/period and multiplied by the number of days in that year/period.

(6) Inventories turnover days were calculated based on the average of the beginning and ending balances of inventories (before impairment) of a given year/period divided by the cost of sales for that corresponding year/period and multiplied by the number of days in that year/period.

(7) Interest coverage ratio was calculated by dividing EBITDA *(non-IFRS measure)* by interest expenses for the years/periods indicated.

(8) Net margin was calculated by dividing profit for the year/period by revenue for the years/periods indicated.

USE OF PROCEEDS

Assuming an Offer Price of HK$71.88 per Share (being the maximum Offer Price stated in this Prospectus), we estimate that we will receive net proceeds of approximately HK$3,175.4 million (equivalent to approximately RMB2,804.7 million) from the Global Offering after deducting the underwriting commission and other estimated expenses paid and payable by us in connection with the Global Offering. In line with our strategies, we intend to use our proceeds from the Global Offering as follow: (i) approximately 19.7% of the net proceeds, or HK$625.8 million (equivalent to approximately RMB552.8 million), is expected to be used for our Thai Base Phase II, which is in line with one of our strategies detailed in "Business — Our Strategies — Market Strategy: Expanding and Deepening our Global Presence,"; (ii) approximately 52.1% of the net proceeds, or HK$1,655.1 million (equivalent to approximately RMB1,461.9 million), is expected to be used to expand and upgrade our production facilities in Guangzhou base; (iii) approximately 10.0% of the net proceeds, or HK$317.5 million (equivalent to approximately RMB280.5 million), is expected to be used for enhancing our R&D capabilities in developing material technologies, refining manufacturing processes and product development; (iv) approximately 8.2% of the net proceeds, or HK$259.3 million (equivalent to approximately RMB229.1 million), is expected to be used to pursue strategic partnerships, investments or acquisitions which are complementary to our business and in line with our strategies; and (v) approximately 10.0% of the net proceeds, or HK$317.5 million (equivalent to approximately RMB280.5 million), is expected to be used for working capital and general corporate uses. See "Future Plans and Use of Proceeds" for more details.

DIVIDENDS AND DIVIDEND POLICY

Dividend distribution to our shareholders is recognized as a liability in the period in which the dividends are approved by our shareholders or Directors, as appropriate. We paid a dividend of RMB105.6 million in 2024. In May 2025, we declared cash dividends of 203.9 million, which have been paid in full in May 2025.

We may distribute dividends in the form of cash dividends or stock dividends or a combination of cash dividends and stock dividends, and we give priority to profit distribution in cash, where eligible. Any proposed distribution of dividends is subject to the discretion of our Board and the approval at our Shareholders' meetings. Our Board may recommend a distribution of dividends in the future in accordance with the procedures stipulated in the Articles of Association of our Company, after taking into account our results of operations, financial condition, operating requirements, capital requirements, shareholders' interests and any other conditions that our Board may deem relevant. According to the applicable PRC laws and our dividend policy, we may pay dividends out of our profit after tax only after we have (i) made up recovery of accumulated losses, if applicable, (ii) made allocations to the statutory reserve equivalent to 10% of our profit after tax, provided that when the accumulated statutory reserve exceeds 50% of our total issued share capital, further allocations to this statutory reserve are not required, and (iii) after the allocations to the statutory reserve, made allocations, if any, to a discretionary reserve as approved by our shareholders in a shareholders' meeting. Further, according to our dividend policy, in principle, we distribute dividends once a fiscal year (where necessary, we may also declare interim cash dividends or stock dividends). Our distributed profits distributed in cash shall be no less than 10% of the distributable profits achieved in the year and we are required to pay cumulative cash dividends of the most recent three fiscal years that account for not less than 30% of our average annual distributable profits for those three fiscal years which are available for distribution, calculated in accordance with PRC GAAP, provided that the sustainable operation and long term development of the Company shall not be impaired, there is no plan for significant capital expenditure, and all other conditions for cash dividend distribution are satisfied.

OUR LISTING ON THE SHENZHEN STOCK EXCHANGE

Since April 2024, our A Shares have been listed on the Shenzhen Stock Exchange. Our Directors confirm that, since our A Share Listing and up to the Latest Practicable Date, there had been no instance of any material non-compliance with the applicable rules of the Shenzhen Stock Exchange and other applicable PRC securities laws and regulations.

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Mr. Xiao and Ms. Liu, through Zhenyun Investment, Guangsheng Investment and Guangcai Investment, collectively controlled approximately 53.65% of the total issued capital of our Company. Immediately following the completion of the Global Offering (assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing), Mr. Xiao and Ms. Liu, through Zhenyun Investment, Guangsheng Investment and Guangcai Investment, will collectively control approximately 48.43% of the total issued capital of our Company. Accordingly, Mr. Xiao, Ms. Liu, Zhenyun Investment, Guangsheng Investment and Guangcai Investment will together constitute a group of our Controlling Shareholders for the purpose of the Listing Rules upon Listing.

LISTING EXPENSES

Listing expenses represent professional fees, underwriting commissions and other fees (such as the discretionary incentive fee) incurred in connection with the Global Offering. We estimate that our listing expenses will be approximately RMB115.8 million (or HK$131.1 million, representing 3.96% of the gross proceeds from the Global Offering) (based on the maximum Offer Price of HK$71.88), of which (i) approximately RMB108.7 million, directly attributable to the issue of our Offer Shares, will be subsequently charged to equity upon completion of the proposed Listing, and (ii) approximately RMB7.1 million is expected to be expensed in our combined statements of profit or loss.

GLOBAL OFFERING STATISTICS

	Based on the Offer Price of HK$71.88 per H Share
Market capitalization of our Shares immediately after completion of the Global Offering(1)	HK$57,790.9 million
Market capitalization of our H Shares(1)	HK$3,306.5 million
Unaudited pro forma adjusted consolidated net tangible assets per Share	HK$15.39

Note:

(1) The calculation of the market capitalization is derived through the aggregation of (i) the market capitalization of our H Shares immediately after completion of the Global Offering and (ii) the average market capitalization of our A Shares for the five business days immediately preceding the Latest Practicable Date. The calculation is based on the assumption that 426,446,482 A Shares have been in issue as of the Latest Practicable Date and that 46,000,000 H Shares are expected to be in issue immediately after completion of the Global Offering. For the latest five business days immediately preceding the Latest Practicable Date, the average closing price of our A Shares was RMB112.85 each and the average market capitalization of our A Shares was RMB48,124.5 million (approximately HKD54,484.5 million based on the exchange rate of RMB0.88327: HKD1.00).

In this Prospectus, unless the context otherwise requires, the following terms shall have the meanings set forth 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 are traded in Renminbi and listed on the Shenzhen Stock Exchange
"A Shareholder(s)"	holder(s) of our A Share(s)
"Accountants' Report"	the accountants' report of our Company for the Track Record Period, as included in Appendix I to this Prospectus
"AFRC"	Accounting and Financial Reporting Council of Hong Kong
"Articles of Association" or "Articles"	the articles of association of our Company, conditionally adopted on May 16, 2025 with effect from the Listing Date, as amended, supplemented, or otherwise modified from time to time, a summary of which is set out in Appendix V to this Prospectus
"Audit Committee"	the audit committee of the Board
"Board"	the board of Directors
"business day"	any day (other than a Saturday, Sunday or public holiday in Hong Kong) on which banks in Hong Kong are generally open for normal banking business
"Capital Market Intermediaries"	the capital market intermediaries as named in "Directors and Parties Involved in the Global Offering" in this Prospectus
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"China" or "Chinese Mainland" or "the PRC"	the People's Republic of China, but for the purpose of this prospectus and except where the context requires otherwise, references in this prospectus to "China," "Chinese Mainland" or the "PRC" do not apply to Hong Kong, Macao and Taiwan, China
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time

"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company," "our Company," "we," "our" or "us"	Delton Technology (Guangzhou) Inc. (廣州廣合科技股份有限公司), a company established under the laws of the PRC on June 17, 2002 and converted into a joint stock company with limited liability on June 22, 2020, whose A Shares have been listed on the Shenzhen Stock Exchange (stock code: 001389)
"Controlling Shareholders Group" or "Controlling Shareholder(s)"	has the meaning given to it under the Listing Rules and, unless the context otherwise requires, refers to the person(s) named in "Relationship with Our Controlling Shareholders" in this Prospectus
"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會), a regulatory body responsible for the supervision and regulation of the PRC securities markets and overseas securities activities of PRC entities
"Delton International"	DELTON TECHNOLOGY INTERNATIONAL LIMITED (廣合科技(國際)有限公司), a limited liability company incorporated under the laws of Hong Kong on January 3, 2019, and a wholly-owned subsidiary of our Company
"Delton Investment"	Delton Investment Holdings Limited, a limited liability company incorporated under the laws of the British Virgin Islands on April 4, 2023, and a wholly-owned subsidiary of our Company
"Director(s)"	the director(s) of our Company
"Dongguan Delton"	Delton Numerical Control Technology (Dongguan) Co., Ltd. (東莞廣合數控科技有限公司), a limited liability company established under the laws of the PRC on January 28, 2021, and a wholly-owned subsidiary of our Company
"EIT"	enterprise income tax
"EIT Law"	the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》), as amended, supplemented or otherwise modified from time to time

"Extreme Conditions"	extreme conditions caused by a super typhoon as announced by the government of Hong Kong
"FINI"	"Fast Interface for New Issuance," an online platform operated by HKSCC that is mandatory for admission to trading and, where applicable, the collection and processing of specified information on subscription in and settlement for all new listings
"Frost & Sullivan"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., our industry consultant
"F&S Report"	the industry report commissioned by us and independently prepared by Frost & Sullivan, a summary of which is set forth in "Industry Overview"
"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," "we," "our" or "us"	our Company and our subsidiaries (or our Company and any one or more of our subsidiaries, as the content may require), or where the context so requires, in respect of the periods before our Company became the holding company of our present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time
"Guangcai Investment"	Shenzhen Guangcai Investment Partnership (Limited Partnership) (深圳廣財投資企業(有限合夥)), a limited partnership established under the laws of the PRC on November 16, 2016, and a member of our Controlling Shareholders Group
"Guangsheng Investment"	Shenzhen Guangsheng Investment Partnership (Limited Partnership) (深圳廣生投資企業(有限合夥)), a limited partnership established under the laws of the PRC on November 16, 2016, and a member of our Controlling Shareholders Group
"Guangxie Investment"	Shenzhen Guangxie Investment Partnership (Limited Partnership) (深圳廣諧投資企業(有限合夥)), a limited partnership established under the laws of the PRC on November 11, 2016

"Guide"	Guide for New Listing Applicants issued by the Stock Exchange, as amended, supplemented or otherwise modified from time to time
"H Share(s)"	overseas listed foreign shares 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 listed on the Stock Exchange
"H Shareholder(s)"	holder(s) of our H Share(s)
"H Share Registrar"	Tricor Investor Services Limited
"**HK eIPO White Form**"	the application for Hong Kong Offer Shares to be issued in the applicant's own name, submitted online through the designated website at **www.hkeipo.hk**
"**HK eIPO White Form** Service Provider"	the **HK eIPO White Form** service provider designated by our Company as specified on the designated website at **www.hkeipo.hk**
"HKSCC"	Hong Kong Securities Clearing Company Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited
"HKSCC EIPO"	the application for the Hong Kong Offer Shares to be issued in the name of HKSCC Nominees and deposited directly into CCASS to be credited to your designated HKSCC Participant's stock account through causing HKSCC Nominees to apply on your behalf, including by instructing your **broker** or **custodian** who is a HKSCC Participant to give **electronic application instructions** via HKSCC's FINI system to apply for the Hong Kong Offer Shares on your behalf
"HKSCC Nominees"	HKSCC Nominees Limited, a wholly owned subsidiary of HKSCC
"HKSCC Operational Procedures"	the operational procedures of HKSCC, containing the practices, procedures and administrative or other requirements relating to HKSCC's services and the operations and functions of CCASS, FINI or any other platform, facility or system established, operated and/or otherwise provided by or through HKSCC, as from time to time in force

"HKSCC Participant(s)"	a participant admitted to participate in CCASS as a direct clearing participant, a general clearing participant or a custodian participant
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Hong Kong dollars" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong Offer Shares"	the 4,600,000 H Shares being initially offered for subscription in the Hong Kong Public Offering, subject to reallocation
"Hong Kong Public Offering"	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong, as further 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
"Hong Kong Underwriters"	the underwriters of the Hong Kong Public Offering listed in "Underwriting — Hong Kong Underwriters" in this Prospectus
"Hong Kong Underwriting Agreement"	the underwriting agreement dated Tuesday, March 10, 2026 relating to the Hong Kong Public Offering and entered into by our Company, the Joint Sponsors, the Overall Coordinators and the Hong Kong Underwriters
"Huangshi Delton"	Delton Precision Circuits (Huangshi) Inc. (黃石廣合精密電路有限公司), a limited liability company established under the laws of the PRC on September 9, 2019, and a wholly-owned subsidiary of our Company
"IFRS"	International Financial Reporting Standards, as issued by the International Accounting Standards Board
"Independent Third Party(ies)"	person(s) or company(ies) who/which, to the best of our Directors' knowledge, information and belief, is/are not a connected person of our Company
"International Offer Shares"	the 41,400,000 H Shares being initially offered for subscription under the International Offering subject to reallocation

"International Offering"	the offer of the International Offer Shares at the Offer Price outside the United States in offshore transactions in accordance with Regulation S or any other available exemption from registration under the U.S. Securities Act, as further described in "Structure of the Global Offering" in this Prospectus
"International Underwriters"	the underwriters of the International Offering
"International Underwriting Agreement"	the international underwriting agreement relating to the International Offering, which is expected to be entered into by our Company, the Joint Sponsors, the Overall Coordinators and the International Underwriters on or about Wednesday, March 18, 2026
"Joint Bookrunners"	the Joint Bookrunners as named in "Directors and Parties Involved in the Global Offering" in this Prospectus
"Joint Global Coordinators"	the Joint Global Coordinators as named in "Directors and Parties Involved in the Global Offering" in this Prospectus
"Joint Lead Managers"	the Joint Lead Managers as named in "Directors and Parties Involved in the Global Offering" in this Prospectus
"Joint Sponsors"	the Joint Sponsors as named in "Directors and Parties Involved in the Global Offering" in this Prospectus
"Latest Practicable Date"	March 3, 2026, being the latest practicable date for the purpose of ascertaining certain information in this Prospectus prior to its publication
"Listing"	the listing of the H Shares on the Main Board
"Listing Committee"	the Listing Committee of the Stock Exchange
"Listing Date"	the date, expected to be on or about Friday, March 20, 2026, on which the H Shares are to be listed on the Stock Exchange and on which dealings in the H Shares are to be first permitted to commence on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time

"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with GEM of the Stock Exchange
"MOF"	Ministry of Finance of the PRC (中華人民共和國財政部)
"MOFCOM"	Ministry of Commerce of the PRC (中華人民共和國商務部)
"Mr. Xiao"	Mr. Xiao Hongxing (肖紅星), an executive Director, the chairman of the Board, spouse of Ms. Liu and a member of our Controlling Shareholders Group
"Ms. Liu"	Ms. Liu Jinchan (劉錦嬋), a non-executive Director, spouse of Mr. Xiao and a member of our Controlling Shareholders Group
"Nomination Committee"	the nomination committee of the Board
"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%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%), expressed in Hong Kong dollars, at which Hong Kong Offer Shares are to be subscribed for pursuant to the Hong Kong Public Offering and International Offer Shares are to be offered pursuant to the International Offering, to be determined as described in "Structure of the Global Offering — Pricing and Allocation" in this Prospectus
"Offer Share(s)"	the Hong Kong Offer Shares and the International Offer Shares
"Overall Coordinators"	the Overall Coordinators as named in "Directors and Parties Involved in the Global Offering" in this Prospectus

"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 Legal Advisor"	AllBright Law Offices, our legal advisor as to PRC laws
"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
"Price Determination Date"	the date, expected to be on or before Wednesday, March 18, 2026 and in any event no later than 12:00 noon on Wednesday, March 18, 2026, on which the Offer Price is to be fixed for the purposes of the Global Offering
"Prospectus"	this prospectus being issued in connection with the Hong Kong Public Offering
"Regulation S"	Regulation S under the U.S. Securities Act
"Remuneration and Appraisal Committee"	the remuneration and appraisal committee of the Board
"Renminbi" or "RMB"	Renminbi, the lawful currency of China
"Restricted A Shares"	the restricted A Shares issued or to be issued under the 2024 Restricted Share Incentive Plan
"SAFE"	the State Administration for Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)

"SAMR"	the State Administration for Market Regulation of the PRC (中華人民共和國國家市場監督管理總局)
"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"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each, comprising A Shares and H Shares
"Shareholder(s)"	holder(s) of our Share(s)
"Shengyi Electronics"	Dongguan Shengyi Electronics Co., Ltd. (東莞生益電子有限公司), currently known as Shengyi Electronics Co., Ltd., a company listed on the Shanghai Stock Exchange (stock code: 688183)
"Sponsor-Overall Coordinators"	the sponsor-overall coordinators as named in "Directors and Parties Involved in the Global Offering" in this Prospectus
"State Council"	the State Council of the PRC (中華人民共和國國務院)
"Strategy and ESG Committee"	the strategy and ESG committee of the Board
"Takeovers Code"	the Codes on Takeovers and Mergers issued by the SFC, as amended, supplemented or otherwise modified from time to time
"Thailand Delton"	Delton Technology (Thailand) Co., Ltd., a limited liability company incorporated under the laws of Thailand on May 19, 2023, and a wholly-owned subsidiary of our Company
"Track Record Period"	the three years ended December 31, 2022, 2023 and 2024 and the nine months ended September 30, 2025
"Underwriters"	the Hong Kong Underwriters and the International Underwriters

"Underwriting Agreements"	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
"United States" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"U.S. dollars" or "US$"	United States dollars, the lawful currency of the United States
"U.S. Securities Act"	United States Securities Act of 1933 and the rules and regulations promulgated thereunder
"VAT"	value-added tax
"Zhenyun Investment"	Guangzhou Zhenyun Investment Co., Ltd. (廣州臻蘊投資有限公司), a limited liability company established under the laws of the PRC on December 5, 2016, and a member of our Controlling Shareholders Group
"2024 Restricted Share Incentive Plan"	the 2024 restricted share incentive plan of our Company as approved by our Shareholders on October 17, 2024, the principal terms of which are set out in "Statutory and General Information — Our Incentive Schemes" in Appendix VI to this Prospectus
"2024 Share Option Incentive Plan"	the 2024 share option incentive plan of our Company as approved by our Shareholders on October 17, 2024, the principal terms of which are set out in "Statutory and General Information — Our Incentive Schemes" in Appendix VI to this Prospectus
"%"	per cent

In this Prospectus, the terms "associate(s)," "close associate(s)," "connected person(s)," "connected transaction(s)," "core connected person(s)," "controlling shareholder(s)," "subsidiary(ies)" and "substantial shareholder(s)" shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

For ease of reference, the names of the PRC established companies or entities, laws or regulations have been included in this Prospectus in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail.

In this document, unless the context otherwise requires, explanations and definitions of certain terms used in this document in connection with our Company and our business shall have the meanings set out below. The terms and their meanings may not always correspond to standard industry meaning or usage of these terms.

"active antenna unit"	a fundamental element in the radio access network of a 5G network
"AI servers"	AI servers refers to servers specifically built to handle the demands of artificial intelligence (AI) workloads
"AOI"	automated optical inspections, a system that uses digital optical equipment to automatically inspect the appearance of circuit patterns
"aspect ratio"	the ratio of the board thickness to the drill hole diameter for plated-through holes, or the ratio of the hole depth to the drill hole diameter for blind holes
"back drilling"	a drilling process that removes part of the copper layer from the hole wall on the plated-through hole surface
"BGA"	a surface-mount package with solder balls formed at the bottom lead terminals for interconnection
"blind via"	a type of plated-through hole extending only to one surface of a PCB
"BMS"	battery management system
"bonded zones"	closed-format comprehensive open areas in the PRC, the main functions of which are transit trade, export processing, warehousing and international transportation. Bonded zones are subject to special preferential policies. Enterprises within the bonded zones will, under the direct supervision of the customs department of the PRC government, be entitled to special preferential policies and must develop trading activities between enterprises within the bonded zones and overseas enterprises
"buried via"	a type of plated-through hole not extending to the surface of a PCB
"CCL"	copper-clad laminate, a laminated board with copper foil on one or both sides.

"conductive anodic filament (CAF)"	a filamentous conductive substance formed along the gaps between glass fibers and resin in the substrate of PCBs, which grows from the anode to the cathode through an electrochemical reaction
"conductor spacing"	the spacing between adjacent conductors on a printed circuit board as viewed directly from above; or the minimum distance between the edges of adjacent conductors on the same layer as observed in cross-section
"conductor width"	the width of a conductor on a printed circuit board as viewed directly from above
"connector"	a component that enables communication and connection between circuits that are otherwise blocked or isolated
"CPU"	central processing unit, the general-purpose processor that fetches, decodes and executes program instructions, orchestrating virtually all computational tasks in a computer system
"DDR"	double data rate, a type of computer memory technology commonly used in personal computers and servers
"dielectric constant (Dk)"	also known as relative permittivity, the ratio of the capacitance obtained by filling a dielectric between electrodes of a defined shape to the capacitance between the same electrodes when in vacuum or filled with air
"dielectric dissipation factor (Df)"	when a sinusoidal voltage is applied to a dielectric, the complement of the phase angle between the current phasor and the voltage phasor is called the loss angle. The tangent of the dielectric loss angle is referred to as the loss factor
"EFLOPS"	exa floating point operations per second, a measure of performance for a supercomputer that can calculate at least one quintillion floating point operations per second
"Gbps" or "Gb/s"	giga bit per second, a unit of data transfer rate digital commonly used to measure data transfer speed
"GPU"	graphic processing unit, a microprocessor designed to handle graphics-related tasks

"HDI"	high-density interconnect
"insertion loss"	the ratio of the output electromagnetic power to the incident wave power, typically expressed in decibels (dB)
"integrated circuit"	a device in which numerous transistors, along with components such as resistors and capacitors, are fabricated on a semiconductor chip, interconnected through multiple layers and packaged to form a functional unit
"JDM"	joint design manufacturing
"mil"	a unit of measurement equal to one-thousandth of an inch, commonly used to specify thickness and spacing in circuit design
"mother board"	a PCB assembly used for interconnecting and connecting electronic module arrays
"PCB"	printed circuit board
"PCIe"	peripheral component interconnect express, a type of connection used for high speed data transfer between electronic component
"plating"	a process of depositing metal onto a metal surface using chemical or electrochemical methods
"POFV"	plated over filled via, a method that involves electroplating the surface of the filled plated-through hole, including both the fill material and the copper plating layer, after the conductive hole is filled
"prepreg"	also known as "PP sheet" or "resin sheet", it is the sheet or roll material made from fiber-reinforced material impregnated with thermosetting resin and cured to the B-stage (semi-cured)
"PTFE"	polytetrafluoroethylene, a polymeric material synthesized through polymerization of tetrafluoroethylene as the monomer
"remote ratio unit"	a remote radio transceiver that connects to an operator radio control panel via electrical or wireless interface

"resistor"	a component that appropriately impedes the flow of electric current in a circuit
"RF"	radio frequency, an electromagnetic frequency that can radiate into space, ranging from 300 kHz to 30 GHz, representing a high-frequency alternating electromagnetic wave
"thermal management"	the management of heat or temperature in a system
"TPU"	a specialized hardware chip designed to accelerate the processing of machine learning workloads, particularly for tensor-based computations in neural networks
"UBB"	Universal baseboard

This Prospectus contains certain forward-looking statements and information relating to our Company and its subsidiaries that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this Prospectus, the words “aim,” “anticipate,” “believe,” “could,” “estimate,” “expect,” “going forward,” “intend,” “may,” “ought to,” “plan,” “project,” “seek,” “should,” “target,” “will,” “would” 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 other risk factors as described in this Prospectus. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks and uncertainties facing our company which could affect the accuracy of forward-looking statements include, but are not limited to, the following: our business prospects; future developments, trends and conditions in the industry and markets in which we operate or into which we intend to expand; our business and operating strategies and plans to achieve these strategies; general economic, political and business conditions in the markets in which we operate; changes to the regulatory environment, operating conditions and general outlook in the industry and geographical markets in which we operate; the effects of the global financial markets and economic crisis; our financial condition and performance; our ability to reduce costs; our dividend policy; the amount and nature of, and potential for, future development of our business; capital market developments; the actions and developments of our competitors; and change or volatility in interest rates, foreign exchange rates, equity prices, volumes, operations, margins, risk management and overall market trends.

Subject to the requirements of applicable laws, rules and regulations, we do not have any and 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.

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

All forward-looking statements in this Prospectus are qualified by reference to the cautionary statements in this section.

An investment in our H Shares involves significant risks. You should carefully consider all of the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our 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 "Forward-looking Statements" in this Prospectus.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

Our products are widely used by customers of various industries and sectors. Supply-demand dynamics and other macro-economic factors that affect these industries and sectors where our products are used may in turn impact our business, financial condition and results of operations.

Our products are primarily offered to customers across various industries and sectors, including among others, server, industrial control, automotive electronics, communication, consumer electronics and security electronics. Therefore, factors that adversely affect these industries and sectors could also materially and adversely affect our business, financial condition, results of operations and prospects. These factors include, among others: (i) a decline in demand for, or negative perception of, or publicity about, products; (ii) rising material and labor costs relating to the design and production of PCBs for products; (iii) the reduction or elimination of preferential tax treatments and economic incentives for manufacturers; (iv) regulatory restrictions, trade disputes, industry-specific quotas, tariffs, non-tariff barriers and taxes that may have the effect of limiting exports; (v) a downturn in general economic conditions or major countries and regions that import products; (vi) increasing level of competition from PCB manufacturers in other countries and regions; and (vii) any financial difficulties, market share loss, or reputational harm to end customers that use our products. Additionally, uncertainty, volatility, or adverse changes in the economy in general could lead to a significant decline in demand for the end products manufactured by our customers, which, in turn, could result in a decline in the demand for our products and increase pressure to reduce our prices.

If we are unable to appropriately address the technological development and advancement in the industries and sectors where our products are used, our business, financial condition and results of operations could be materially and adversely affected.

Our ability to remain competitive will largely depend upon our ability to maintain and enhance our technological capabilities. If we are unable to secure additional sources or funds to rapidly adapt to technological developments as quickly as our competitors, or if we fail to promptly adopt and implement technological advancements, our production efficiency could decline, which may potentially reduce our product yields or quality, resulting in increased costs. If we fail to effectively adapt to the technological requirements, substantial capital investments may be required for the development, acquisition, and implementation of those designs, technologies, and equipment, which could adversely affect our financial performance. If we are unable to compete successfully, or if competing successfully requires us to take costly actions in response to the actions of our competitors, our business, results of operations and financial condition may be materially and adversely affected.

We have been and intend to continue investing significantly in R&D activities, and the development cycles of our products can be long, which may impact our profitability and operating cash flow and may not generate the results we expect to achieve.

We invest in R&D activities to develop and introduce new and enhanced products. In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, our R&D expenses accounted for 4.8%, 4.5%, 4.8%, 4.9% and 5.1% of our total revenue for the respective years. The industries in which we operate are subject to rapid technological innovations. To expand our product portfolio and to remain competitive, we need to continue investing significant resources in R&D activities. Any delay or shortfall in doing so may limit our ability to participate in more demanding customer projects, thereby adversely affecting our business development, profitability and market position. In addition, R&D activities are inherently resource-intensive and time-consuming. Furthermore, market demand, macroeconomic conditions and the pace of technological advancement, which are beyond our control, may affect the commercial performance of newly developed products. Therefore, even if our R&D efforts are technically successful, they may not generate the anticipated economic returns within the expected timeframe or at all, which could materially and adversely affect our business, results of operations, financial condition and competitive position.

We may be subject to the risks associated with international trade restrictions, including sanctions and export controls, and our reputation, business, results of operations and financial condition could be adversely affected.

Our operations are subject to deterioration in the political and economic relations among countries and sanctions and export controls administered by government authorities and other geopolitical challenges. Margins on the sales of products that include components obtained from certain suppliers from other countries and regions could be materially and adversely affected by international trade regulations, including custom duties, tariffs and antidumping penalties. In particular, the U.S. government imposed economic and trade sanctions directly or indirectly affecting China-based technology companies. In recent years, the United States has increased export controls restrictions on China through the Export Administration Regulations (the "**EAR**"), administered by the Bureau of Industry and Security of the U.S. Department of Commerce ("**BIS**"), which includes a list of foreign persons on which certain trade restrictions are imposed (the "**Entity List**"). These restrictions or regulations, and similar or more expansive restrictions or regulations that may be imposed by the U.S. or other jurisdictions in the future, may materially and adversely affect our ability to acquire technologies, systems, devices or components that may be critical to our technology infrastructure, product offerings and business operations. Any uncertainties and changes in these current or future restrictions or regulations may have a negative impact on our reputation and business. If certain of our customers and suppliers are listed on the Entity List and subject to restrictions from sourcing or selling technologies, software, or components from or to us, we may not be able to obtain, extend or maintain the requisite regulatory permits in relation to our transactions with these customers and suppliers. Furthermore, if we export our products to other countries and regions which are or become subject to sanctions or export controls, our business, financial condition and results of operations may be materially and adversely affected.

Our business, financial condition and results of operations could be materially and adversely affected by tariff increases or other changes in import and export duties.

In recent years, the United States has imposed a series of tariff increases on imports from China. In 2025, the U.S. government announced a new round of tariff adjustments. For details, see "Business — Recent Regulation in Relation to Tariffs — Tariff Policies." As of the Latest Practicable Date, it remained uncertain how the Sino-U.S. and global trade tensions would evolve. Although we primarily sell our products to customers in China and certain overseas markets, we cannot assure you that such customers or other downstream participants will not be affected by elevated tariff levels or changes in trade policies in their respective end markets. Given that our products are generally used as intermediate components, the impact of tariffs is more likely to be transmitted through supply chain adjustments, changes in procurement strategies or shifts in end-market demand. As a result, fluctuations in global tariff regimes may still indirectly affect our sales volumes, pricing strategies or customer relationships. Accordingly, our business, financial condition and results of operations may be materially and adversely affected.

Our business, financial condition and results of operations may be subject to adverse effect from the risk of customer concentration.

In 2022, 2023, 2024 and the nine months ended September 30, 2025, our revenue generated from our five largest customers represented 63.6%, 65.6%, 61.4% and 59.3% of our total revenue during the same years, respectively. In 2022, 2023, 2024 and the nine months ended September 30, 2025, our revenue generated from our largest customer in each year/period of the Track Record Period represented 26.5%, 26.6%, 24.6% and 18.0% of our total revenue during the same years, respectively. See "Business — Our Customers" for more details. Our major customers' stable relationship with us and consistent demands are crucial to our business. Any disruption in our business relationship with major customers could have a material adverse effect on our business, financial condition and results of operations.

Supply chain shortages and interruptions, fluctuations in prices and our relationship with suppliers could adversely affect our results of operations.

Our success depends in part on our ability to manage the supply chain to manufacture and deliver the products in a timely manner and with quality. We source the raw materials for our products from third-party suppliers. However, the raw materials we use are subject to price volatility caused by external factors, such as commodity price fluctuations, changes in supply and demand, logistics and processing costs, our bargaining power with suppliers, inflation, governmental regulations and policies, geopolitical tensions or health epidemics. We might fail to secure an adequate supply of such raw materials under favorable business conditions, if at all, which could prevent us from meeting our customer demand. Moreover, such shortage could lead to increases in raw material costs and negatively impact our future profitability. During the Track Record Period, we relied on certain of our suppliers, primarily including suppliers of CCL, prepregs, copper foils, copper spheres, gold salts and dry films. Purchase amount from our five largest suppliers accounted for 53.7%, 58.2%, 63.1% and 59.8% of our total purchase amount in each year/period of the Track Record Period, respectively. See "Business — Our Supply Chain" for more details. Our reliance on these major suppliers subjects us to the concentration and counterparty risk from these suppliers. Any material adverse change to the operation, financial performance, or financial condition of our major suppliers may result in material adverse impact on their business with us.

Our production processes are complex and costly. Disruptions and suspension of our production lines can significantly impact our production volume, and our business, financial condition and results of operations can be affected as a result.

During the Track Record Period, we produced substantially all of our products at our production facilities in the Chinese Mainland. We may experience difficulties in coordinating the various aspects of our production processes, thereby causing downtime and delays. Any delay or stoppage of production caused by adverse weather, natural disaster or other unanticipated catastrophic event, including, without limitation, power interruptions, water shortage, storms, fires, earthquakes, terrorist attacks and wars, could significantly impair our ability to produce our products and operate our business. Our machineries and equipment housed in these facilities would be difficult to replace and could require substantial replacement lead-time. Catastrophic events may also destroy any inventory stored in our facilities. Any stoppage in production, even if temporary, or delay in delivery to our customers could adversely affect our business, financial condition and results of operations. In addition, there are risks that an accident or death may occur in any one of our facilities. An accident may result in destruction of property or equipment, environmental damage, manufacturing or delivery delays, or may lead to suspension of our operations and imposition of liabilities.

If we are unable to maintain optimal capacity utilization rates of our manufacturing facilities, our profitability and results of operations would be adversely affected.

Given the high fixed costs of our operations, decreases in capacity utilization rates can have a significant effect on our business. Accordingly, our ability to maintain or enhance gross margins will continue to depend, in part, on maintaining satisfactory capacity utilization rates. In turn, our ability to maintain satisfactory capacity utilization will depend on the demand for our products, the volume of orders we receive, our ability to maintain a sufficient workforce at our facilities, and our ability to offer products that meet our customers' requirements at competitive prices. If forecasts and assumptions used to support the realizability of our long-lived assets change in the future, significant impairment charges could result that would materially adversely affect our business, financial condition, and results of operations.

We may not be able to operate our production facilities in Thailand as smoothly as those in the PRC.

To enhance our production capabilities and in line with our business strategies, we established a production facility in Thailand. The operation of such overseas production facility is subject to various risks, including those relating to political and economic instability, local labor market conditions, trade barriers, governmental expropriation and differences in business practices. We may incur increased costs or experience delays or disruptions in product deliveries that could cause loss of revenues and earnings. Unfavorable changes in the political, regulatory and business climates could have a material and adverse effect on our business, financial condition, results of operations and prospects. In addition, the ramp-up of production is subject to uncertainties relating to equipment installation, production yield rates, workforce recruitment and training, and the qualification of suppliers and raw materials. If we fail to meet our planned timelines or performance targets for production ramp-up, we may not be able to fulfill customer orders in a timely manner, which could damage our customer relationships and reputation. Our facility in Thailand is also subject to local and regional supply chain that may not be as mature or stable as those in China.

We may not be able to obtain or maintain adequate intellectual property rights protection for our products, or the scope of such intellectual property rights protection may not be sufficient across different jurisdictions.

Our success depends on our ability to protect our proprietary technology as well as our product from competition by obtaining, maintaining and enforcing our intellectual property rights, including patent rights and trade secrets. We have been protecting the proprietary technologies that we consider commercially important by, among others, filing patent applications in China and other jurisdictions. The intellectual property application process may be expensive and time-consuming, and we may not be able to file and prosecute all necessary or desirable intellectual property applications at a reasonable cost or in a timely manner, if at all.

Even if we have identified, filed and prosecuted our intellectual property applications, our applications may not be granted or our intellectual property may be invalidated for multiple reasons, including known or unknown prior deficiencies in the intellectual property application or the lack of novelty of the underlying technology. As such, we cannot assure you that we will be able to discern the scope of the intellectual property protection or obtain adequate intellectual property protection with respect to our products, and our competitors may be able to circumvent our patents by developing similar or alternative technologies or products in a non-infringing manner. The issuance of a patent is not conclusive as to its inventor, scope, validity or enforceability, and our patents may be challenged in the courts or patent offices in some jurisdictions.

The China National Intellectual Property Administration ("**CNIPA**") and various governmental patent agencies require compliance with a number of procedural, documentary, fee payment, and other similar provisions during the patent application process and over the lifetime of the patent. Non-compliance events can result in abandonment or lapse of the relevant patent or patent application, leading to partial or complete loss of patent rights in the relevant jurisdiction. If our patent rights are compromised, we may lose market share to our competitors. Any of the foregoing could materially and adversely affect our business, results of operations, financial condition, competitive position and prospects. Meanwhile, we protect trade secrets partly by entering into non-disclosure and confidentiality agreements, or include such undertakings in the agreements with parties that have access to them. Nevertheless, there can be no guarantee that an employee or a third party will not make an unauthorized use or disclosure of our proprietary confidential information. Even if we are successful in prosecuting or defending against such claims, litigation could result in substantial financial and human resource costs.

We may become involved in lawsuits to protect or enforce our intellectual property in court or before any related intellectual property agency in any jurisdiction.

We may need to initiate lawsuits to protect or enforce our intellectual property rights, including patents and trade secrets. Competitors may infringe our patents or misappropriate our proprietary information. To counter infringement or unauthorized use, we may need to engage in litigation before courts or intellectual property agencies, which can be costly and time-consuming. Any claims we assert may also provoke counterclaims alleging that we infringe others' intellectual property rights. Our competitors may dedicate substantially greater resources than we do to such disputes, and adverse results could put our patents, including those pending, at risk of being invalidated, held unenforceable or interpreted narrowly. Proceedings before the CNIPA or other administrative bodies in China or other jurisdictions could similarly result in revocation or amendment of our patents, thereby limiting their scope of protection. If any of our patents were found invalid or unenforceable, we would lose at least part, and potentially all, of the patent protection for the relevant products or product candidates, which could materially and adversely affect our business, results of operations and financial condition.

Our competitors with large patent portfolios may allege that our products infringe upon their intellectual property rights. Whether a product infringes a patent involves complex legal and factual analyses and the outcome is often uncertain. Moreover, competitors may have filed for patent protection not yet public, or claimed trademark rights that are not revealed through public record searches. Although we intend to identify and avoid intellectual property infringement, such efforts may not always be successful. 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 in relation to intellectual property rights violations that we believe would have a material adverse effect on our business, results of operations, financial condition or reputation and compliance. However, any such claims, regardless of merit, could be costly, divert management attention and result in substantial financial costs. If successful, such claims could require us to suspend sales of relevant products, redesign or rebrand products, pay substantial damages or enter into unfavorable royalty or licensing agreements.

Our products are intricate in nature and undetected defects, errors or bugs of our products could adversely affect our business, financial condition and results of operations.

Our products are intricate in nature and may contain errors, defects, bugs that are difficult to detect and correct, particularly when first introduced or when new versions or enhancements are released. Some errors or defects in our products may only be discovered after they have been tested, commercialized and deployed by our end customers. Under these circumstances, we may incur additional remedial costs to recall, repair or replace and additional development costs to redesign our products. Any failure to effectively implement or enforce quality control measures may result in defective products reaching our customers, which could increase the risk of product recalls, warranty claims or customer dissatisfaction. Furthermore, because we may be subject to warranty and indemnification provisions based on certain of our agreements with our customers, we may be subject to claims or threats of claims by our customers for their financial loss related to defects in our products. Any such claims would be time-consuming and costly for us to defend and divert our management attention, thereby adversely affecting our business, financial condition and results of operations.

Our products are subject to various industry standards the requirements of which are continually evolving, and the efforts to meet such industry standards or requirements could be costly.

Our products are based on industry standards that are continually evolving. The development of existing industry standards and emergence of new industry standards could render our products obsolete. To identify and comply with these industry standards, we may need to redesign our products, which may be time-consuming and costly, and the outcomes of which may be uncertain. If we cannot successfully redesign our products, our products may not be able to comply with new industry standards or compete with the products offered by our competitors. In this circumstance, we could miss opportunities to achieve crucial design wins and lose market share to our competitors, which in turn could have a material adverse effect on our business, financial condition and results of operations.

Acquisitions, investments or strategic alliances may have valuation uncertainties failure of which may materially and adversely affect our reputation, business and results of operations.

We may in the future enter into strategic alliances with various third parties, subject to a number of risks, including: (i) disclosure or misappropriation of proprietary information, (ii) defaults by counterparties, including breaches of covenants or other non-performance, and (iii) negative publicity relating to such third parties or the relevant strategic alliances. In addition, we may acquire additional assets or businesses that may generate synergies when combined with our existing business. Future acquisitions and the subsequent integration of new assets and businesses into our own may entail a number of risks, including: (i) increased operating expenses and capital needs; (ii) dilution to shareholders resulting from the issuance of additional securities; (iii) the incurrence of debt, goodwill impairment charges, amortisation of intangible assets and contingent or unforeseen liabilities; (iv) diversion of management attention and resources away from our existing business in pursuing such acquisitions; (v) integration frictions in assimilating the operations, talent, intellectual property and products of an acquired business; and (vi) loss of key personnel and business relationships as a result of such acquisitions. If we fail to address the risks related to our future acquisitions and subsequent integration of new assets and businesses, we may not be able to realize the anticipated benefits of such acquisitions and our reputation, business, financial condition and results of operations may be adversely affected.

Any failure to offer high-quality support services for our customers or end customers may harm our relationships with them and, consequently, our business.

We typically do not allow customers to return or exchange products except that our customers may negotiate with us on return and indemnification of defective products due to our faults. As we expand our business, we need to be able to continue to provide efficient customer support at scale. As a result, we may not be able to respond to our customers' request for return, exchange, technical support or maintenance assistance in a timely manner. If we experience increased customer demand for support and maintenance, our operational expense may increase and adversely impact our financial condition and results of operations. Our ability to attract new customers is highly dependent on our business reputation and on positive recommendations from our existing customers. If we are unable to provide efficient maintenance and support services with results satisfactory to our customers, our reputation and business may be harmed. Customer dissatisfaction may result in loss of existing customers or failure to acquire new users, which may materially and adversely affect our business and results of operations.

We are required to obtain permits, licenses, approvals, filings and certifications for certain business operated by us from the relevant government authorities under relevant laws and regulations

The industries we operate in are highly regulated. We are required to obtain and maintain the requisite licenses and approvals required in China and in other jurisdictions where we operate. See "Regulatory Overview" and "Business — Licenses, Approvals and Permits" for more details. Compliance with the relevant regulations may require substantial expense and non-compliance may expose us to sanctions and penalties. Moreover, we cannot assure you that we can successfully obtain such permits, licenses, approvals, filings or certifications, or update or renew some of them as required for our business in a timely manner. The interpretation and implementation of existing and future laws, regulations and policies governing our business activities may change, and we may be found in violation of such laws, regulations and policies if we fail to adapt to these changes. If we fail to complete, obtain or maintain any of the required licenses or approvals or make the necessary filings in any of the jurisdiction where we operate, we may be subject to various penalties, such as confiscation of the revenue that were generated through unlicensed activities, or the suspension or revocation of our licenses and approvals. Any such penalties may disrupt our business operations and materially and adversely affect our business, results of operations and financial condition.

We are subject to environmental, fire prevention, health and safety laws and regulations and production standards and it may be onerous and costly to comply with such regulations and standards.

Our operations are subject to extensive government regulation, including environmental, health and safety laws and regulations. These laws and regulations set various standards regulating certain aspects of health and environmental quality, including waste treatment, emissions and disposals. The process to manufacture PCBs requires adherence to national and foreign environmental laws and regulations regarding the storage, use, handling and disposal of chemicals, solid wastes, and other hazardous materials, as well as compliance with wastewater and air quality standards. We may be subject to potential financial liability for costs associated with the investigation and remediation of our own sites, or sites at which we have arranged for the disposal of hazardous wastes, if such sites become contaminated. Even if we fully comply with applicable environmental laws and are not directly at fault for the contamination, we may still be liable.

Environmental law violations, including the failure to maintain required environmental permits, could subject us to fines, penalties, and other sanctions, including the revocation of our effluent discharge permits. This could require us to cease or limit production at one or more of our facilities and could have a material adverse effect on our business, financial condition, and results of operations.

Increasing focus on environmental, social and governance ("ESG") matters by regulators and other stakeholders may increase our compliance risk and costs.

With the rising awareness of ESG issues, including with respect to disposal of wastes, greenhouse gas emissions and environmental protection, more stringent laws and regulations may be adopted. Accordingly, we may need to devote more effort and resources to ensure our compliance with such laws or regulations. We have adopted a series of measures aiming to ensure our compliance with the ESG-related laws and regulations applicable to us. See "Business — Environmental, Social and Governance" for more details. We cannot assure you that these risk management measures can effectively mitigate the relevant risks and help us to navigate the regulatory environment. Changes in existing ESG-related laws and regulations or the promulgation of new ESG-related laws and regulations may increase our compliance costs, and if we fail to comply with such ESG-related laws and regulations, our business, results of operations and financial performance may be adversely affected.

Our business and prospects depend on our ability to build our brand and reputation, which could be harmed by negative publicity regarding us, our Directors, employees, branding or products. Any negative publicity, whether warranted or not, could adversely affect our business.

We believe that our brand is integral to the success of our business. Since we operate in a highly competitive market, brand maintenance directly affects our ability to maintain our market position. The successful maintenance of our brand depends on our ability to provide competitive products and to strengthen business relationship with our customers. The successful promotion of our brand depends on the effectiveness of our marketing efforts and the amount of word-of-mouth referrals by our customers. We may incur extra expenses in promoting our brand. However, we cannot assure you that these activities will be successful or effective as expected. In addition, any negative publicity about our Company, Directors, employees, branding or products, whether warranted or not, may adversely affect our reputation and business. If our brand and reputation is damaged, we may face challenges in maintaining our current business relationships with our customers and in entering into new markets, which may adversely affect our business, financial condition, results of operations and prospects.

We may from time to time be involved in claims, legal proceedings and commercial or contractual disputes in the ordinary course of our business.

We may be involved in commercial or contractual disputes, legal and administrative proceedings, and claims arising out of the ordinary course of our business. For example, we may initiate legal proceedings against infringing or breaching parties in order to enforce our rights as provided under applicable laws or contractual arrangements. We cannot assure you that we will not be involved in various disputes in the future, which may expose us to additional risks and losses. In addition, existing or future disputes, proceedings and claims may be costly to defend or resolve. We may have to pay legal costs associated with such disputes, including fees relating to appraisal, auction, execution and legal advisory services. Litigation and other disputes may lead to inquiries, investigations and proceedings by regulatory authorities and other governmental agencies. Any claims, disputes, inquiries, investigations and proceedings may result in damage to our reputation, additional operating costs and diversion of resources and management's attention from our core business. The disruption of our business due to judgment, arbitration and legal proceedings against us or adverse adjudications in proceedings against our Directors, senior management or key employees may materially and adversely affect our reputation, business, financial condition and results of operations.

We rely on our business partners, other industry participants, employees, suppliers, customers, trading partners, sales partners or other third parties that we collaborate with. Any failure to detect or prevent fraudulent or illegal activities or other misconduct by such parties may materially and adversely affect our business.

We are exposed to fraudulent or illegal activities or other misconduct by our employees, suppliers, customers, trading partners, sales partners or other third parties that we collaborate with, that could subject us to liabilities, fines and other penalties imposed by government authorities. Although we have established internal control policies and relevant contractual covenants, we cannot assure you that we will be able to prevent fraud or illegal activity by such persons or that similar incidents will not occur in the future. Any illegal, fraudulent, corrupt or collusive activity by our employees, suppliers, customers or other third parties, violation of anti-corruption, anti-bribery, anti-money laundering, financial and economic sanctions and similar laws, could also subject us to negative publicity that could severely damage our brand and reputation. Accordingly, our failure to detect and prevent fraudulent or illegal activities or other misconduct by our employees, suppliers, customers or other third parties could materially and adversely affect our business.

In addition, during the Track Record Period, we also engaged with trading partners and sales partners to extend our market reach. Non-compliance by our trading partners or sales partners or actions taken by them adverse to our interests could negatively affect our brand reputation and disrupt our sales. Furthermore, we may be exposed to the risks of fraud or other misconduct committed by our trading partners or sales partners. Fraud or other misconduct by our trading partners or sales partners may involve engaging in unauthorized misrepresentation to our end customers or to us, and engaging in bribery or other unlawful payments. In any such event, we could, as a result, incur liability to our end customers for fraud or misconduct committed by such trading partners or sales partners or otherwise suffer from their misconduct. Any claims could subject us to litigation regardless of whether the claims have merit.

Our insurance coverage may not be sufficient to cover all losses or potential claims by our customers, which would affect our business, financial condition and results of operations.

We have maintained insurance policies to cover various aspects of our business, such as property all-risk insurance, transportation insurance to secure our business continuity. However, the amount of coverage, depending on the insurance policies to which we subscribe, may not be adequate to fully compensate all types of loss, damage and liability we may suffer in the future. For example, insurances covering loss from acts of war, terrorism, or natural disasters may be unavailable or cost prohibitive. In addition, we cannot guarantee that our policies can be renewed on similar or acceptable terms, or at all. If we suffer unexpected severe losses or losses that far exceed the policy limits, it could materially and adversely affect our business, financial condition, results of operations and prospects.

Our legal rights to some leased properties may be challenged.

We lease properties mainly as our employee dormitories. As at the Latest Practicable Date, we were not provided with sufficient ownership certificates for our leased properties we leased under the lease agreements with one lessor in China. See "Business — Properties — Lease Properties" for details. Any dispute or claim in relation to these properties could result in us having to relocate and/or obtain alternative accommodation for certain of our employees. If our right to use these properties is challenged, we would need to seek alternative properties on short notice and incur relocation costs, and there is no guarantee that we would be able to find suitable alternative properties on reasonable commercial terms, or at all. Any relocation could lead to disruptions to our operations and may have an adverse effect on our business, financial condition, results of operations and prospects. As of the Latest Practicable Date, with respect to certain of our leased properties in China, we have not completed lease registration, primarily due to lack of cooperation from our lessors. We may be required by relevant government authorities to file future lease agreements for registration within a time limit, and may be subject to a fine ranging from RMB1,000 to RMB10,000 for such non-registration exceeding such time limit. As of the Latest Practicable Date, certain of our leased properties without property lease filing certificates could adversely affect our ability to continue using them in the future, including that our use of these leased properties may not be valid or may be affected by third parties' claims or challenges against the leases. Our inability to enter into new leases or renew existing leases on terms acceptable to us could materially adversely affect our business, financial condition and results of operations.

Rising labor costs and labor shortages, including due to pandemics and other disasters, employee strikes, and other labor-related disruptions may materially adversely affect our business, financial condition, and results of operations.

Our success depends on our ability to hire, train, retain and motivate our employees. We have not experienced any material work stoppages or strikes in the past. However, we cannot guarantee that any of such events will not arise in the future. If our employees engage in a strike or other work stoppage, we may experience significant operational disruption and/or accept higher labor costs, resulting in an adverse effect on our business, financial condition and results of operations. We have employees across various countries, and are subject to varied laws and regulations in different countries. As certain of our employees are represented by labor unions, any deterioration in our labor relations with employees or the labor union could cause labor disputes, which could result in the disruption of production and operations. There is no guarantee that we will always be able to maintain stable and quality labor force at favorable costs. Any deterioration in our labor relations could result in the disruption of production and operations, and may subject us to legal proceedings, as well as monetary and reputational damages.

In addition, labor costs in regions where we operate have been increasing in recent years and may potentially continue increasing. As such, we may have to increase our total compensation to attract and retain the experienced professionals required to achieve our business objectives. However, these increased costs might not be able to be passed onto customers by increasing our products' selling prices in light of market competition. In such circumstances, our profit margin may decrease, which could have an adverse effect on our business, financial condition and results of operations.

Non-compliance with labor-related laws and regulations of the PRC may impact our financial condition and results of operation.

We have been subject to strict regulatory requirements in terms of entering into labor contracts with our employees and paying various statutory employee benefits, including the basic pensions, housing fund, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance to designated government agencies for the benefit of our employees. If we are subject to severe penalties or incur significant legal fees in connection with labor-related laws and regulations, our business, financial condition and results of operations may be adversely affected. During the Track Record Period, we engaged certain dispatched workers from third-party employment agencies. Pursuant to the Labor Contract Law and its amendments, dispatched workers may only be engaged for temporary, ancillary or substitute positions. We cannot assure you that the relevant governmental authorities will determine that our dispatched workers are engaged for temporary, ancillary or substitute positions. The Interim Provisions on Labor Dispatch, which became effective on March 1, 2014, further provides that the number of dispatched workers an employer may use must not exceed 10% of its total labor force. During the Track Record Period, the number of dispatched workers we engaged did not exceed 10% of our total labor force. Specifically, in the event that we decide to terminate some of our employees or otherwise change our employment or labor practices, the Labor Contract Law and its implementation rules may limit our ability to effect those changes in a desirable or cost-effective manner, which could adversely affect our business and results of operations. Additionally, we could be required to provide additional compensation to our employees and our business, financial condition and results of operations could be materially and adversely affected.

We may be subject to additional contributions of social insurance and housing fund and late payments and fines imposed by relevant government authorities.

During the Track Record Period and up to the Latest Practicable Date, we did not make full contributions to the social insurance and housing provident fund with respect to our employees, as required by the relevant PRC laws and regulations. As a result, we may be required to make additional contributions to the social insurance fund and/or housing provident fund and pay late payments and fines under PRC laws and regulations. In addition, the social insurance contributions of certain of our employees have been made by our subsidiary located in different cities from the employees' actual places of work. In addition, we did not commenced contributions to the housing provident fund for our employees within 30 days of employment commencement as required by PRC regulations. Such arrangements may be viewed by the relevant PRC authorities as non-compliant with local social insurance and housing provident fund regulations, and we may be required to make retroactive contributions, pay late fees or fines, or adjust our contribution practices. Any such order may adversely affect our business, financial condition, results of operations.

We are subject to risks of currency fluctuations and our investment in foreign exchange derivatives.

Our consolidated financial results are affected by currency exchange rate fluctuations. The exchange rate between Renminbi and foreign currencies has fluctuated in the past, and this may impact our business, financial condition and results of operations in the future. In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, we recorded gains on foreign exchange differences of RMB71.1 million, RMB8.9 million, RMB48.6 million, RMB4.1 million and RMB1.5 million, respectively. Changes in foreign exchange rates may be due to many factors such as changes in the global economy and geopolitical condition which are beyond our control. There is no assurance that we will make similar or any such gain in the future, which will in turn affect our future financial performance.

Further, during the Track Record Period, we made investment in foreign exchange derivatives with a view to managing risks associated with foreign exchange fluctuations. During the Track Record Period, we had entered into foreign currency forward contracts. See "Financial Information — Quantitative and Qualitative Disclosures about Financial Risks — Foreign Currency Risk" for more details. We recorded investment loss from derivative financial instruments of nil, RMB22.5 million, RMB13.9 million, RMB10.0 million and RMB4.0 million in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively. If Renminbi depreciates against U.S. dollars substantially or if the interest rate moves in the different direction as we expected in the future, our obligation to pay to the banks under the outstanding foreign exchange forward contracts may adversely affect our cash flows and financial position. In addition, our investment in foreign exchange derivatives is subject to fair value changes. We recorded fair value loss on derivative financial instruments of RMB21.2 million, RMB41.5 million and RMB14.9 million, in 2022, 2023 and 2024, respectively. We recorded fair value gain on derivative financial instruments of RMB0.9 million and RMB6.2 million in the nine months ended September 30, 2024 and 2025, respectively.

Any changes or discontinuation of tax rebate, government grants or other preferential treatments may affect our business, results of operations and financial condition.

We are entitled to a rebate of value-added tax ("**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. In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, our value-added tax refund amounted to approximately RMB128.5 million, RMB116.6 million, RMB184.8 million, RMB147.1 million and RMB189.7 million, respectively. 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 canceled. If there is any reduction, suspension, discontinuation or cancelation of tax rebate which may adversely affect the recoverability of our VAT recoverable, our business, financial condition and profitability would be adversely affected.

Further, we received government grants during the Track Record Period. It is in the relevant PRC government authorities' discretions to decide when, under what conditions or whether the preferential tax treatment and/or government grants should be granted to us. We cannot assure you that we will continue to be eligible to receive the preferential tax treatment and/or government grants or the relevant PRC government authorities will not impose new conditions for receiving such preferential tax treatment and/or government grants in the future. If we are unable to obtain or maintain the preferential tax treatment and/or government grants or any other favorable regulatory treatments in the future, our business, results of operations and financial condition may be affected.

Our business and operations require significant capital resources and we may not be able to obtain additional capital when desired, on favorable terms or at all.

Our operations are generally capital-intensive. To the extent that our funding requirements exceed our existing financial resources, we will be required to seek external debt or equity financing or to defer planned expenditures. The amount of additional capital we need depends on factors including, but not limited to: (i) our R&D expenses; (ii) our relationships with customers and suppliers; (iii) our ability to control costs and increase sales of our products; (iv) sales and marketing expenses; (v) enhancements to our infrastructure and systems; (vi) potential acquisitions of businesses and product lines; and (vii) general economic conditions, inflation, rising interest rates and international conflicts, and their impact on downstream industries.

As we further grow our businesses, we expect our capital requirements to increase significantly in the future. We cannot assure you that cash generated from our operations will be sufficient to fund our future development and expansion. If we are unable to obtain financing in a timely manner or at a reasonable cost, if at all, our expansion plans may be delayed, our projects may be hindered, and our financial performance and growth prospects may be materially and adversely affected. The availability of external funding is subject to various factors, including governmental policies, market conditions, credit availability, interest rates and the performance of our operations.

We recorded net current liabilities during the Track Record Period, which exposes us to liquidity risk.

We recorded net current liabilities of RMB103.3 million as of December 31, 2022, primarily due to capital expenditures related to the construction of our production facility in Dongguan and the purchase of equipment for our Huangshi base. We cannot assure you that we will not have a net current liabilities position in the future. The net current liabilities position, if recurs in the future, would expose us to liquidity risk which could restrict our ability to make necessary capital expenditure or develop business opportunities, and our business, operating results and financial condition could be materially and adversely affected.

We incurred debts during Track Record Period and may incur more debts in the future.

As of December 31, 2022, 2023, 2024 and September 30, 2025, we recorded interest-bearing bank and other borrowings of RMB323.5 million, RMB383.2 million, RMB414.9 million and RMB568.8 million, respectively. This in turn may require us to seek adequate financing from sources such as external debt, which may not be available on terms favorable to us or at all. Any difficulty in or failure to repay our debts and or any additional debt can materially and adversely affect our business, financial condition and prospects.

If we incur more debts in the future, an increased balance of indebtedness may require us to devote our financial resources to servicing such debt rather than funding our operating activities, which constrains our capital flexibility and may in turn adversely affect our business growth. In addition, if we incur a large balance of indebtedness, we may not be able to service our interest and principal repayments in a timely manner or at all, which could trigger cross-defaults with other debt and limit our ability to obtain further debt financing. As a result, failure to manage our debt may adversely affect our business, financial condition and prospects.

We are subject to credit risk related to delay in payment and defaults of customers, which would adversely affect our liquidity and financial condition.

We are exposed to credit risk related to delay in payment and defaults of our customers. As of December 31, 2022, 2023, 2024 and September 30, 2025, our trade and bills receivables amounted to RMB704.7 million, RMB886.7 million, RMB1,293.0 million and RMB1,731.4 million, respectively. During the same periods, our trade receivables turnover days was 103 days, 102 days, 102 days and 103 days, respectively. We may not be able to collect any were, if not all, such trade and bills receivables due to a variety of factors that are beyond our control, including long payment cycle, adverse operating condition or financial condition of our customers, and our customers' inability to pay caused by their end customers' delay in payment. In such circumstances, we may have to make impairment provisions and our liquidity and financial condition will be adversely affected.

We are exposed to risks associated with our investment in wealth management products.

We had financial assets at fair value through profit or loss of 191.5 million as of September 30, 2025, all of which represented our investment in wealth management products issued by banks in the Chinese Mainland. We have implemented investment management policies during the Track Record Period in connection with our investment in wealth management products. See "Financial Information — Selected Balance Sheet Items — Net Current Assets/Liabilities — Financial Assets at Fair Value through Profit or Loss" for more details. Our investments in wealth management products are subject to the overall market conditions, including the capital markets, which exposes us to the risk of valuation uncertainty. We recorded fair value gains on financial assets at fair value through profit or loss of RMB3.0 million in 2024. Any volatility in the market or fluctuations in interest rates may negatively impact the fair value of these wealth management products, which may in turn have a material adverse effect on our results of operations and financial condition.

We may be subject to inventory obsolescence risk.

Our inventories were RMB355.6 million, RMB396.9 million, RMB458.6 million and RMB621.2 million as of December 31, 2022, 2023, 2024 and September 30, 2025, respectively. For the same years, our inventories turnover days were 93 days, 89 days, 72 days and 66 days, respectively. As our business expands, our inventory obsolescence risk may also increase with the increase in our inventories and our inventories turnover days. We cannot guarantee that we will be able to maintain proper inventory levels. If our forecast demand is higher than actual demand, we may be exposed to increased inventory risks due to the accumulation of excess inventory. In addition to the risk of inventory obsolescence, we may also suffer losses if our inventories are damaged, lost or deteriorated due to inadequate storage conditions or mishandling. Any failure to properly manage and safeguard our inventories could adversely affect our business, financial condition and results of operations.

Failure to fulfill our contractual obligations could adversely affect our liquidity and financial condition.

Our contract liabilities primarily arise from advance payments made by our customers to us before we fulfill our performance obligations. Our contract liabilities were RMB9.1 million, RMB6.3 million, RMB7.4 million and RMB12.7 million as of December 31, 2022, 2023, 2024 and September 30, 2025. See "Financial Information — Selected Balance Sheet Items — Net Current Assets/Liabilities — Contract Liabilities" for more details. There is no assurance that we will be able to fulfill our obligations in respect of contract liabilities as the fulfillment of our performance obligations is subject to various factors that are beyond our control. If we are not able to fulfill our obligations with respect to our contract liabilities, the amount of contract liabilities will not be recognized as revenue and we may have to refund the advance payment made by our customers. As a result, our liquidity and financial condition may be adversely affected.

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

During the Track Record Period, we engaged in cross-border intra-group transactions among our entities in the Chinese Mainland and Hong Kong, primarily involving primarily involve (i) intra-group sales of tangible assets, including sales of raw materials, production equipment and finished products, (ii) intra group provision of processing services and (iii) intra-group financing arrangements. In 2022, 2023 and 2024, and the nine months ended September 30, 2025, the amount of intra-group transactions were RMB1,743.0 million, RMB2,078.2 million, RMB3,038.8 million and RMB3,194.9 million, respectively.

Under the applicable laws and regulations in the jurisdictions in which we operate, arrangements and transactions among related parties may be subject to audit or challenge by the relevant tax authorities. Our global operations are structured through subsidiaries across different jurisdictions. See "Business — Cross Border Intra-group Transactions.". We could face material and adverse tax consequences if the relevant tax authorities determine that our cross-border intra-group transactions are not conducted on an arm's length basis and consequently adjust any of those entities' income in the form of a transfer pricing adjustment. In the event of a transfer pricing adjustment, our tax liabilities could increase. In addition, a transfer pricing arrangement may give rise to tax recoverable in certain jurisdictions.

Any future occurrence of force majeure events, natural disasters, wars or public health and public security hazards may severely disrupt our business and operation.

Our business could be materially and adversely affected by natural disasters, health pandemic or other force majeure events, which may disrupt our supply chain, damage infrastructure, and hinder workforce productivity. Natural disasters such as snowstorms, earthquakes, fires, and floods can cause physical damage to our production facilities, equipment, and inventory which could result in production delays, inventory shortages and obsolete, which could increase our impairment and costs for repairs and replacements. Additionally, these events can lead to power outages, communication interruptions, and transportation disruptions, further hampering business operations. Widespread health epidemics, such as the COVID-19 pandemic, can have a profound impact on our supply chain, particularly in terms of importing raw materials, warehousing, and delivery. This can result in inventory shortages, production bottlenecks, and increased costs for alternative suppliers or pay higher prices for scarce materials, which may materially and adversely affect our business, financial condition and results of operations.

RISKS RELATING TO CONDUCTING BUSINESS IN THE JURISDICTIONS WE OPERATE

Global economic and market uncertainty may adversely impact our business and operating results.

Uncertain global economic conditions have in the past and may in the future adversely impact our business. Inflation and rapid fluctuations in inflation rates have had in the past, and may in the future have, negative effects on economies and financial markets. Volatile or uncertain economic conditions can adversely impact our sales and profitability and make it difficult for us to accurately forecast and plan our future business activities. During challenging economic times, our current or potential future customers may experience cash flow problems and as a result may modify, delay, or cancel plans to purchase our products. Additionally, if our customers are not successful in generating sufficient revenue or are unable to secure financing, they may not be able to pay, or may delay payment of, accounts receivable that they owe us. Any inability of our current or potential future customers to pay us for our products may adversely affect our earnings and cash flow. Moreover, our key suppliers may reduce their output or become insolvent, thereby adversely impacting our ability to manufacture our products.

Development in the legal system of certain geographic markets in which we operate could materially and adversely affect us.

Legal systems of the geographic markets where we operate vary significantly from jurisdiction to jurisdiction. The legal systems of some geographic markets where we operate are consistently evolving. Laws and regulations that are recently enacted may not sufficiently cover all aspects of economic activities in such markets. In particular, the interpretation and enforcement of these laws and regulations are subject to future implementations, and the application of some of these laws and regulations to our businesses is not settled. Since local administrative and court authorities are authorized to interpret and implement statutory provisions and contractual terms, it may be difficult to evaluate the outcome of administrative and court proceedings and the level of legal protection we have in many of the geographic markets where we operate. These uncertainties may affect our judgment on the relevance of legal requirements and our ability to enforce our contractual rights or claims. Furthermore, our understanding of such local government policies and internal interpretations may diverge from the regulatory authorities' interpretations or judicial rulings in analogous cases. As a result, we may not be aware of our violation of certain policies or rules until sometime after the violation. Failure to adapt to changes in current laws or regulations or the imposition of new laws and regulations in our geographic markets may affect our business, financial condition and results of operations.

Our business is subject to the risks associated with international operations.

Our international sales have historically constituted a substantial portion of our revenue. During the Track Record Period, we have maintained various supply chain infrastructures, such as established subsidiary and manufacturing facility in Thailand. Operating in overseas markets requires significant resources and management attention and will subject us to regulatory, economic and policy risks in addition to those we already face in China.

Our business operations outside China are subject to risks resulting from changes in tariffs, trade restrictions, trade agreements, international tax policies, difficulties in managing foreign operations and agents, different liability standards, issues related to compliance with anti-corruption laws, data protection, trade compliance and intellectual property laws in the respective overseas jurisdictions. The occurrence or consequences of any of these factors may restrict our ability to operate in the affected region or decrease the profitability of our operations in that region. We are also subject to general risks inherent in international operations, such as fluctuations in exchange rates, embargoes and customs clearances, complexity in the domestic and international political environment, changes in legal and regulatory requirements, import and export restrictions and tariffs, as well as political or social unrest or economic instability in regions in which we operate. Our failure to manage any of these risks successfully could harm our international operations, and adversely affect our business, results of operations and financial condition.

Regulations on currency exchange may limit our foreign exchange transactions, including our ability to pay dividends and other obligations, and may affect the value of your investment.

The conversion of Renminbi is subject to applicable laws and regulations in China. We cannot guarantee that under a certain exchange rate, we will have sufficient foreign exchange to meet our foreign exchange needs. Under the current PRC foreign exchange system, foreign exchange transactions under the current account conducted by us, including the payment of dividends, do not require advance approval from the State Administration of Foreign Exchange ("**SAFE**"). We are required to present documentary evidence of such transactions and conduct such transactions at banks that have the licenses to carry out foreign exchange business. Foreign exchange transactions under the capital account conducted by us, however, must be registered in advance by the SAFE or its designated banks.

Under existing foreign exchange regulations, following the completion of the Offering, we will be able to pay dividends in foreign currencies without prior approval from the SAFE by complying with certain procedural requirements. However, any change in these foreign exchange policies or any insufficiency of foreign exchange may restrict our ability to obtain sufficient foreign exchange for dividend payments to shareholders or to satisfy any other foreign exchange requirements, or to capitalize our capital expenditure plans, and even our business, results of operations and financial condition, may be affected.

Our operations are subject to the Chinese Mainland, Hong Kong and Thailand tax laws and regulations as well as those of other jurisdictions in which we operate.

As a company incorporated in China, we are subject to the PRC tax laws and regulations. We also operate in Thailand, Hong Kong, and other jurisdictions, and are subject to the tax laws and regulations of those jurisdictions. We cannot assure you that we are able to fully comply with such laws and regulations. Any violation of such laws and regulations may result in fines, other penalties, actions or proceedings that could adversely affect our business, financial condition and results of operations.

Holders of our H Shares may be subject to PRC income tax obligations.

Under the current PRC tax laws and regulations, non-PRC resident individuals and non-PRC resident enterprises are subject to different tax obligations with respect to the dividends paid to them by us and the gains realized upon the sale or other disposition of H Shares by them. Non-PRC resident individuals are required to pay PRC individual income tax at a 20% rate for the dividends or gain from share transfer derived in China under the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》) and its implementation regulations. Accordingly, we are required to withhold such tax from dividend payments, unless applicable tax treaties between the PRC and the jurisdiction in which the foreign individual or enterprise resides reduce or exempt the relevant tax obligations. Pursuant to the Arrangement between the Chinese Mainland and the Hong Kong Special Administrative Region ("**HKSAR**") for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》) signed on August 21, 2006, the PRC government may impose tax on dividends paid by a PRC company to a resident of the HKSAR (including natural person and legal entity), but such tax will not exceed 10% of the total amount of the dividends payable by the Chinese company. If an HKSAR resident directly holds 25% or more of the equity interest in a PRC company, such tax will not exceed 5% of the total dividends payable by the Chinese company. The Fifth Protocol to the Arrangement between the Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (《〈內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排〉第五議定書》) issued by the SAT effective on December 6, 2019 stipulates that the arrangements or transactions made for the primary purpose of obtaining the above-mentioned tax benefits are not subject to the above-mentioned provisions. For non-PRC resident enterprises that do not have establishments or premises in the PRC, and for those who have establishments or premises in the PRC 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 H Shares are typically subject to PRC enterprise income tax at a 10% rate. The Circular on Issues Relating to the 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》) issued by SAT, also stipulates that the withholding tax rate for dividends payable to non-PRC resident enterprise holders of H Shares shall be 10%, subject to a further reduction under a special arrangement or an applicable treaty between China and the jurisdiction of the residence of the relevant non-PRC resident enterprise. Despite the arrangements mentioned above, the interpretation and application of applicable PRC tax laws and regulations are subject to the then relevant laws and regulations due to several factors, including whether the relevant preferential tax treatment will be revoked in the future such that all non-PRC resident individual holders will be subject to PRC individual income tax at a flat rate of 20%. If there is any change to applicable tax laws and rules and interpretation or application with respect to such laws and rules, the value of your investment in our H Shares may be materially affected.

You may experience difficulties in effecting service of legal process and enforcing judgments against us, our Directors and senior management.

We are a company incorporated under the PRC laws and a majority of our assets and subsidiaries are located in China. The majority of our Directors and senior management reside within China. The assets of these Directors and senior management also may be located within China. As a result, it may be difficult to effect service of process upon or to enforce judgments against us, most our Directors and senior management outside China.

RISKS RELATING TO THE GLOBAL OFFERING

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

As we are listed on the Shenzhen Stock Exchange and will be listed on the Hong Kong Stock Exchange, we will be required to comply with the applicable listing rules and other regulatory regimes of both jurisdictions unless an exemption is available or a waiver has been obtained. Accordingly, we may incur additional costs and resources to ensure our compliance with the listing rules of both jurisdictions.

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

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

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.

Prior to the Global Offering, there was no public market for our H Shares. We cannot assure you 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 Offer Price of our H Shares is expected to be fixed by agreement between the Sponsor-Overall Coordinators (for themselves and on behalf of other Overall Coordinators and the Underwriters) and us, and may not be an indication 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 price and trading volume of our H Shares may be volatile, which could lead to substantial losses to investors.

The price and trading volume of our H Shares may be subject to significant volatility in response to various factors beyond our control, including the general market conditions of securities in Hong Kong and elsewhere in the world.

The Hong Kong Stock Exchange and other securities markets have, from time to time, experienced significant price and trading volume volatility that are not related to the operating performance of any particular listed company. The business and performance and the market price of the shares of other listed companies engaging in similar business may also affect the price and trading volume of our Shares. In addition to market and industry factors beyond our control, the price and trading volume of our Shares may be highly volatile for specific business reasons, such as fluctuations in our revenue, earnings, cash flows, investments, expenditures, regulatory developments, relationships with our suppliers, movements or activities of key personnel, or actions taken by competitors. Moreover, shares of other companies listed on the Hong Kong Stock Exchange have experienced price volatility in the past, and it is possible that our H Shares may be subject to changes in price not directly related to our performance.

Future sales or perceived sales of substantial amounts of our H Shares in the public market could have a material adverse impact on the prevailing market price of our H Shares and our ability to raise additional capital in the future, or may result in dilution of your shareholding.

The market price of our H Shares and our ability to raise equity capital in the future at a time and price that we deem appropriate could be negatively impacted 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, especially by our Directors, executive officers and Controlling Shareholders, or the issuance of new shares or other securities, or the perception that such sales or issuances may occur. Certain amount of the Shares controlled by our Controlling Shareholders are subject to certain lock-up periods beginning on the date on which trading in our Shares commences on the Hong Kong Stock Exchange. We cannot assure you that they will not dispose of any Shares they may own now or in the future. Market sale of Shares by such Shareholders and the availability of these Shares for future sale may have a negative impact on the market price of our Shares. In addition, any sale of the H Shares subscribed by such investors pursuant to such arrangement or agreement could adversely affect the market price of our H Shares and any sizeable sale could have a material and adverse effect on the market price of our H Shares and could cause substantial volatility in the trading volume of our H Shares.

The interests of our Controlling Shareholders may not be aligned with the interests of other Shareholders.

Our Controlling Shareholders have substantial influence over our business, including matters related to our management, policies and decisions regarding acquisitions, mergers, expansion plans, consolidations and sales of all or substantially all of our assets, election of directors and other significant corporate actions. Immediately following the completion of the Global Offering, our Controlling Shareholders will hold approximately 48.43% of the issued share capital of our Company. This concentration of ownership may discourage, delay or prevent a change in control of our Company, which could deprive other Shareholders of an opportunity to receive a premium for their Shares as part of a sale of our Company and might reduce the price of our H Shares. These events may occur even if they are opposed by our other Shareholders. In addition, the interests of our Controlling Shareholders may differ from the interests of our other Shareholders. It is possible that our Controlling Shareholders may exercise their substantial influence over us and cause us to enter into transactions or take, or fail to take, actions or make decisions that conflict with the best interests of our other Shareholders.

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. However, there is no assurance that we will be able to declare or distribute dividends of any amount in any year in the future. Under the applicable PRC laws and regulations, 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 Accounting Standards. The declaration, payment and amount of any future dividends are subject to the discretion of our Directors, after taking into account various factors, including but not limited to our results of operations, financial condition, cash flows, capital expenditure requirements, market conditions, our strategic plans and prospects for business development, regulatory restrictions on the payment of dividends and other factors as our Directors may deem relevant, and subject to the approval at Shareholders' meeting. 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 PRC foreign exchange regulations, 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 procedural requirements. However, any changes to these foreign exchange policies that prevent us from obtaining sufficient foreign currencies may affect our ability to pay dividends in foreign currencies to our Shareholders.

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

As our A Shares are listed on the Shenzhen Stock Exchange, we have been subject to periodic reporting and other information disclosure requirements in China. As a result, from time to time, we publicly release information relating to us on the Shenzhen Stock Exchange or other media outlets designated by the CSRC. However, the information announced by us in connection with our A Shares listing is based on regulatory requirements of the securities authorities, industry standards and market practices in 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 Shenzhen Stock Exchange or other media outlets may not be directly comparable to the financial and operational information contained in this document. Therefore, 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 document. 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 document and any formal announcements made by us in Hong Kong with respect to the Global Offering.

You should read the entire document carefully and only rely on the information included in this document to make your investment decision, and we strongly caution you not to rely on any information contained in press articles or other media coverage relating to us, our Shares or the Global Offering.

We strongly caution our investors not to rely on any information contained in press articles or other media regarding us, our Shares and the Global Offering. Prior to the publication of this document, there may be press and media coverage regarding the Global Offering and us. Such press and media coverage may include references to certain information that does not appear in this document, including certain operating and financial information and projections, valuations and other information. We have not authorized the disclosure of any such information in the press or media and do not accept any responsibility for any such press or media coverage or the accuracy or completeness of any such information or publication. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information is inconsistent or conflicts with the information contained in this document, we disclaim responsibility for it and our investors should not rely on such information.

Certain facts, forecast and other statistics in this document obtained from publicly available sources have not been independently verified and may not be reliable.

Certain facts, forecast and other statistics in this document are derived from various government and official resources. We believe that the sources of the information from official government sources are appropriate sources and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that the information from official government sources is false or misleading or that any fact has been omitted that would render such information false or misleading. Nevertheless, information from official government sources has not been independently verified by us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, and the Joint Bookrunners or any of their respective affiliates or advisers and, therefore, we make no representation as to the accuracy of such facts and statistics. Further, we cannot assure our investors that they are stated or compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. In all cases, our investors should consider carefully how much weight or importance should be attached to or placed on such facts or statistics.

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

This Prospectus contains forward-looking statements with respect to our business strategies, operating efficiencies, competitive positions, growth opportunities for existing operations, plans and objectives of management, certain pro forma information and other matters. The words "aim," "anticipate," "believe," "could," "predict," "potential," "continue," "expect," "intend," "may," "might," "plan," "seek," "will," "would," "should" and the negative of these terms and other similar expressions identify a number of these forward-looking statements. These forward-looking statements, including those relating to our future business prospects, capital expenditure, cash flows, working capital, liquidity and capital resources are estimates reflecting the best judgment of our Directors and management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. Consequently, these forward-looking statements should be considered in light of various important factors, including those set out in this section. Accordingly, such statements are not a guarantee of future performance and investors should not place undue reliance on them. See "Forward-looking Statements" for more details.

In preparation of the Global Offering, we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules and exemption from the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

MANAGEMENT PRESENCE IN HONG KONG

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

Since our principal business and operations are substantially located, managed and conducted in the PRC through its PRC subsidiaries, our Directors consider that appointment of additional executive Directors who will be ordinarily resident in Hong Kong would not be beneficial to or appropriate for our Group. As none of our executive Directors are ordinarily based in Hong Kong, we do not, and do not contemplate that we will in the foreseeable future, have a sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rules 8.12 and 19A.15 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rules 8.12 and 19A.15 of the Listing Rules. We will put in place the following measures in order to ensure that regular communication is maintained between the Stock Exchange and our Company:

(a) we have appointed two authorized representatives pursuant to Rule 3.05 of the Listing Rules, who will act as our principal channel of communication with the Stock Exchange. The two authorized representatives are Mr. Xiao and Ms. Kwan Sau In (關秀妍), one of our joint company secretaries. Mr. Xiao confirms that he possesses valid travel documents and can readily travel to Hong Kong and Ms. Kwan is ordinarily resident in Hong Kong. Each of the authorized representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable period of time upon the request of the Stock Exchange and will be readily contactable by telephone and email. Each of the authorized representatives is authorized to communicate on behalf of our Company with the Stock Exchange;

(b) all of our Directors have confirmed that they possess or can apply for and renew valid travel documents to visit Hong Kong and would be able to meet with the Stock Exchange within a reasonable period. Each of our Directors will be readily contactable by telephone and email, and is authorized to communicate on behalf of our Company with the Stock Exchange;

(c) each of our Directors has provided his/her respective contact details, including office phone numbers, mobile phone numbers and/or email addresses, to the Stock Exchange and the authorized representatives. The authorized representatives have means to contact our Directors (including our independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact our Directors for any matters;

(d) our Company has appointed Yue Xiu Capital Limited as our compliance advisor pursuant to Rule 3A.19 of the Listing Rules who will have access at all times to the authorized representatives, our Directors and other senior management of our Company, and will act as an additional channel of communication with the Stock Exchange for the period commencing on the date of the listing of our H Shares on the Main Board and ending on the date when our Company distributes its annual report for the first full financial year in accordance with Rule 13.46 of the Listing Rules; and

(e) meetings between the Stock Exchange and our Directors can be arranged through the authorized representatives or the compliance advisor of our Company or directly with our Directors within a reasonable time frame. Our Company will inform the Stock Exchange promptly in respect of any change in the authorized representatives and/or the compliance advisor.

APPOINTMENT OF JOINT COMPANY SECRETARIES

Pursuant to Rule 8.17 of the Listing Rules, we must appoint a company secretary who satisfies Rule 3.28 of the Listing Rules. According to Rule 3.28 of the Listing Rules, our company secretary must be an individual who, by virtue of his or her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary.

The Stock Exchange considers the following academic or professional qualifications to be acceptable: (a) a member of The Hong Kong Chartered Governance Institute; (b) a solicitor or barrister (as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong)); and (c) a certified public accountant (as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong)).

In assessing "relevant experience," the Stock Exchange will consider the individual's: (a) length of employment with the issuer and other issuers and the roles he or she played; (b) familiarity with the Listing Rules and other relevant laws and regulations including the SFO, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, and the Takeovers Code; (c) relevant training taken and/or to be taken in addition to be the minimum requirement under Rule 3.29 of the Listing Rules; and (d) professional qualifications in other jurisdictions.

We have appointed Mr. Zeng Yangqing (曾楊清) ("**Mr. Zeng**") as one of our joint company secretaries. Mr. Zeng joined our Group in March 2017 and currently holds the positions of deputy general manager and secretary to the Board. He is primarily responsible for Board affairs, corporate governance, capital management, investor relations and securities affairs of our Group. Having regard to Mr. Zeng's past experience in handling corporate matters and his familiarity with our Group, we believe that the appointment of Mr. Zeng as our company secretary would be beneficial for our Group. While Mr. Zeng does not possess the requisite qualifications required by Rule 3.28 of the Listing Rules, our Company has appointed Ms. Kwan, who is a Hong Kong resident and possesses relevant qualification, to be a joint company secretary to assist Mr. Zeng in the compliance matters for the Listing as well as other Hong Kong regulatory requirements for a period of three years commencing from the Listing Date. For the biographies of our joint company secretaries, see "Directors and Senior Management — Joint Company Secretaries" in this Prospectus. Over such three-year period, we will implement measures to assist Mr. Zeng to satisfy the requisite qualifications as prescribed in Rule 3.28 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rules 8.17 and 3.28 of the Listing Rules in relation to Mr. Zeng's appointment as a joint company secretary pursuant to Chapter 3.10 of the Guide on the following conditions:

(a) Mr. Zeng must be assisted by Ms. Kwan, who possesses the qualification and experience as required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the validity period of the waiver; and

(b) the waiver is valid for a period of three years from the Listing Date and will be revoked immediately if and when Ms. Kwan ceases to provide such assistance or if there are material breaches of the Listing Rules by our Company.

Before the end of the initial three-year period, we will evaluate the then experience of Mr. Zeng in order to determine whether the requirements as stipulated in Rules 3.28 and 8.17 of the Listing Rules can be satisfied at the time and ongoing assistance would be needed. We would then endeavor to demonstrate to the satisfaction of the Stock Exchange that Mr. Zeng, having had the benefit of Ms. Kwan's assistance for three years, would then have acquired the "relevant experience" within the meaning of Rule 3.28 of the Listing Rules so that a further waiver would not be necessary.

DISCLOSURE REQUIREMENTS IN RESPECT OF OUTSTANDING SHARE OPTIONS

The Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance prescribe certain disclosure requirements in relation to the share options granted by our Company (the "**Share Option Disclosure Requirements**"):

(a) Rule 17.02(1)(b) of the Listing Rules stipulates that all material terms of a scheme must be clearly set out in this Prospectus. Our Company is also required to disclose in this Prospectus full details of all outstanding options 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;

(b) Paragraph 27 of Appendix D1A to the Listing Rules requires our Company to set out in this Prospectus particulars of any capital of any member of our Group that 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; and

(c) Paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires our Company to disclose, amongst others, details of the number, description and amount of any Shares in or debentures of our 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, (i) the period during which it is exercisable; (ii) the price to be paid for Shares or debentures subscribed for under it; (iii) the consideration (if any) given or to be given for it or for the right to it; and (iv) 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.

Pursuant to paragraphs 6 to 7 of Chapter 3.6 of the Guide, the Stock Exchange would normally grant waivers from disclosing the names and addresses of certain grantees if the issuer could demonstrate that such disclosures would be irrelevant and unduly burdensome, subject to certain conditions specified therein.

As of the Latest Practicable Date, our Company had granted outstanding options under the 2024 Share Option Incentive Plan to 284 grantees, to subscribe for an aggregate of 2,605,270 A Shares. The Shares underlying the granted options represent approximately 0.55% of the total number of Shares in our Company immediately after completion of the Global Offering (assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing). As of the Latest Practicable Date, among the granted options, 36,000 were held by one connected person, 356,000 were held by nine grantees who have been granted options to subscribe for an aggregate number of 30,000 or more A Shares, which were outstanding as of the Latest Practicable Date, and 2,213,270 were held by grantees who were not (i) Directors, members of senior management and connected persons of our Company, or (ii) other grantees who have been granted options to subscribe for an aggregate number of 30,000 or more A Shares, which were outstanding as of the Latest Practicable Date.

We have applied to (i) the 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 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, respectively, on the ground that strict compliance with the above requirements would be unduly burdensome for our Company and the exemption would not prejudice the interests of the investing public for the following reasons:

(a) given that 274 grantees (who are not (i) Directors, members of senior management and connected persons of our Company, or (ii) other grantees who have been granted options to subscribe for an aggregate number of 30,000 or more A Shares, which were outstanding as of the Latest Practicable Date) are involved for the granting of outstanding options, strict compliance with such disclosure requirements in setting out full details of all the grantees under the 2024 Share Option Incentive Plan in this Prospectus would be costly and unduly burdensome for us in light of a significant increase in cost and timing for information compilation and Prospectus preparation;

(b) the grant and exercise in full of the options under the 2024 Share Option Incentive Plan will not cause any material adverse impact to the financial position of our Group. The 274 grantees who are not (i) Directors, members of senior management and connected persons of our Company, or (ii) other grantees who have been granted options to subscribe for an aggregate number of 30,000 or more A Shares, which were outstanding as of the Latest Practicable Date have been granted options to acquire 2,213,270 A Shares. The 2,213,270 A Shares underlying the granted options represent approximately 0.47% in our Company immediately after completion of the Global Offering (assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing), which is not material in the circumstances of our Company;

(c) there will not be any new H Shares issued under the 2024 Share Option Incentive Plan as the foregoing plan is an A-share incentive scheme;

(d) non-compliance with the above disclosure requirements would not prevent us from providing our potential investors with an informed assessment of the activities, assets, liabilities, financial position, management and prospects of our Company; and

(e) material information relating to the Shares under the 2024 Share Option Incentive Plan has been disclosed in this Prospectus 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 options in making their investment decision, and such information includes:

(i) a summary of the terms of the 2024 Share Option Incentive Plan;

(ii) the aggregate number of Shares subject to the options and the percentage to our total issued share capital represented by such number of Shares;

(iii) the dilutive effect and the impact on earnings per Share upon full exercise of the options immediately following completion of the Global Offering (assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing);

(iv) full details of the options granted by our Company to (i) Directors, members of senior management and connected persons of our Company (if any), and (ii) other grantees who have been granted options to subscribe for an aggregate number of 30,000 or more A Shares, which were outstanding as of the Latest Practicable Date, on an individual basis, are disclosed in this Prospectus, and such details include all the particulars required under Rule 17.02(1)(b) and paragraph 27 of Appendix D1A to the Listing Rules and paragraph 10 of Part 1 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance;

(v) in respect of the options under the 2024 Share Option Incentive Plan granted to remaining grantees (being the other grantees who are not (i) Directors, members of senior management and connected persons of the Company, or (ii) other grantees who have been granted options to subscribe for an aggregate number of 30,000 or more A Shares, which were outstanding as of the Latest Practicable Date), disclosure will be made, on an aggregate basis, including (i) their aggregate number of grantees and number of Shares underlying the options under the 2024 Share Option Incentive Plan; (ii) the consideration (if any) paid for the grant of the options under the 2024 Share Option Incentive Plan; and (iii) the exercise period of the options and the exercise price of the options granted under the 2024 Share Option Incentive Plan; and

(vi) the particulars of the waiver and exemption granted by the Stock Exchange and the SFC, respectively.

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the applicable Share Option Disclosure Requirements on the conditions that:

(a) on an individual basis, full details of the options under the 2024 Share Option Incentive Plan granted by our Company to (i) each of our Directors, members of senior management and connected persons of our Company (if any), and (ii) other grantees who have been granted options to subscribe for an aggregate number of 30,000 or more A Shares, which were outstanding as of the Latest Practicable Date, will be disclosed in the section headed "Appendix VI — Statutory and General Information — Our Incentive Schemes" as required under Rule 17.02(1)(b) 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;

(b) in respect of the options under the 2024 Share Option Incentive Plan granted to remaining grantees other than those referred to in sub-paragraph (a) above, disclosure will be made, on an aggregate basis, for the remaining grantees who have been granted options to subscribe for 1 to 29,999 A Shares, and for such lot of A Shares, which were outstanding as of the Latest Practicable Date, the following details are disclosed in this Prospectus: (i) their aggregate number of grantees and number of Shares underlying the options under the 2024 Share Option Incentive Plan; (ii) the consideration (if any) paid for the grant of the options under the 2024 Share Option Incentive Plan; and (iii) the exercise period of the options and the exercise price of the options granted under the 2024 Share Option Incentive Plan;

(c) aggregate number of Shares underlying the options granted under the 2024 Share Option Incentive Plan and the percentage to our total issued share capital represented by such number of Shares as of the Latest Practicable Date;

(d) the dilutive effect and impact on earnings per Share upon the full exercise of the options under the 2024 Share Option Incentive Plan will be disclosed in the section headed "Appendix VI — Statutory and General Information — Our Incentive Schemes";

(e) a summary of the major terms of the 2024 Share Option Incentive Plan will be disclosed in the section headed "Appendix VI — Statutory and General Information — Our Incentive Schemes";

(f) a full list of all the grantees (including the grantees referred to in part (a) above) with outstanding options under the 2024 Share Option Incentive Plan containing all the particulars as required under Rule 17.02(1)(b) and paragraph 27 of Appendix D1A to the Listing Rules be made available for public inspection in accordance with "Documents Delivered to the Registrar of Companies and Available on Display — Document Available for Inspection" in Appendix VII to this Prospectus;

(g) 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

(h) the particulars of the waiver will be disclosed in this Prospectus.

We have applied for, and the SFC has granted, a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the conditions that:

(a) on an individual basis, full details of the options under the 2024 Share Option Incentive Plan granted by our Company to (i) each of our Directors, members of senior management and connected persons of our Company (if any), and (ii) other grantees who have been granted options to subscribe for an aggregate number of 30,000 or more A Shares, which were outstanding as of the Latest Practicable Date, will be disclosed in the section headed "Appendix VI — Statutory and General Information — Our Incentive Schemes" as 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 options under the 2024 Share Option Incentive Plan granted to remaining grantees other than those referred to in sub-paragraph (a) above, disclosure is made, on an aggregate basis, for the remaining grantees who have been granted options to subscribe for 1 to 29,999 A Shares which were outstanding as of the Latest Practicable Date, and for such lot of A Shares, the following details are disclosed in this Prospectus: (i) their aggregate number of grantees and number of Shares underlying the options under the 2024 Share Option Incentive Plan; (ii) the consideration (if any) paid for the grant of the options under the 2024 Share Option Incentive Plan; and (iii) the exercise period of the options and the exercise price of the options granted under the 2024 Share Option Incentive Plan;

(c) a full list of all the grantees (including the grantees referred to in part (a) above) who have been granted options to subscribe for A Shares under the 2024 Share Option Incentive Plan, containing all the 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 and Available on Display — Document Available for Inspection'' in Appendix VII to this Prospectus; and

(d) the particulars of the exemption will be disclosed in this Prospectus which will be issued on or before March 12, 2026.

WAIVER IN RELATION TO CONTINUING CONNECTED TRANSACTIONS

We have entered into, and are expected to continue, certain transactions with our connected persons which will constitute partially exempt continuing connected transactions of our Company under Chapter 14A of the Listing Rules upon Listing. Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with certain requirements set out under Chapter 14A of the Listing Rules. For further details, please refer to the section headed "Connected Transactions" in this Prospectus.

CONSENT IN RESPECT OF CORNERSTONE INVESTMENT BY CONNECTED CLIENTS

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.

Chapter 4.15 of the Guide for New Listing Applicants provides that the Stock Exchange will ordinarily give its consent for allocation to connected clients if it is satisfied that: (i) the allocation to a connected client represents genuine demand for securities of an applicant; and (ii) the connected client has not taken and will not take advantage of its position to receive an allocation for its own benefit at the expense of other placees or the public (i.e. no actual or perceived preferential treatment has been given to such connected client).

As further described in the section headed "Cornerstone Investors" in this Prospectus, each of (1) CITIC Securities International Capital Management Limited ("**CSICM**"), (2) Value Partners Hong Kong Limited ("**VPHKL**") and Value Partners Limited ("**VPL**") and (3) ICBC Wealth Management Co., Ltd. ("**ICBC Wealth**") has entered into cornerstone investment agreements with the Company, the Joint Sponsors and Sponsor-Overall Coordinators, to participate as cornerstone investors in the Global Offering to subscribe for the Offer Shares to be issued by the Company under the International Offering.

We have applied to the Stock Exchange for a written consent under paragraph 1C(1) of Appendix F1 to the Listing Rules to allow each of CSICM, VPHKL, VPL and ICBC Wealth to subscribe for Offer Shares as a cornerstone investor.

CSICM and CITIC Securities Company Limited ("**CITICS**") will enter into back-to-back total return swap transactions (the "**CITICS Back-to-back TRS**"), in connection with a total return swap order (the "**CITICS Client TRS**") placed by and fully funded by an ultimate client (the "**Ultimate Client (Shanghai Greenwoods)**"), under which terms and conditions the full economic return and loss of the Offer Shares placed to CSICM will be ultimately borne by the Ultimate Client (Shanghai Greenwoods). CSICM will hold the Offer Shares on a non-discretionary basis to hedge the CITICS Back-to-back TRS in connection with the CITICS Client TRS order placed by the Ultimate Client (Shanghai Greenwoods), and the full economic return and loss of the Offer Shares will be ultimately borne by the Ultimate Clients (Shanghai Greenwoods) according to the terms and conditions under the CITICS Back-to-back TRS and the CITICS Client TRS, subject to customary fees and commissions. CSICM will not take part in any economic return or bear any economic loss in relation to the Offer Shares.

CSICM is a wholly-owned subsidiary of CITICS, of which its shares are listed on the Shanghai Stock Exchange (stock code: 600030) and the Hong Kong Stock Exchange (stock code: 6030). Pursuant to paragraph 1B(7) of the Placing Guidelines, CSICM is considered as a "connected client" of CLSA Limited, one of the Sponsor-Overall Coordinators, holding securities on a non-discretionary basis on behalf of independent third parties. The Stock Exchange has granted the requested written consent on the following basis and conditions, as set out in paragraph 6 of Chapter 4.15 of the Guide for New Listing Applicants, that:

(a) each of the Overall Coordinators confirms that any Offer Shares to be allocated to CSICM will be held on non-discretionary basis and on behalf of independent third parties;

(b) the Company confirms that the cornerstone investment agreement of CSICM does not contain any material terms which are more favourable to it than those in other cornerstone investment agreements;

(c) each of the Company and the Overall Coordinators (including CLSA Limited as one of the Sponsor-Overall Coordinators) confirms that no preferential treatment has been, nor will be, given to CSICM by virtue of its relationship with CLSA Limited, in any allocation of Offer Shares in the International Offering other than the assured entitlement under the relevant cornerstone investment agreement following the principles set out in Chapter 4.15 of the Guide for New Listing Applicants;

(d) CSICM confirms that it has not received and will not receive any preferential treatment in the Global Offering allocation as a cornerstone investor by virtue of its relationship with CLSA Limited, other than the preferential treatment of assured entitlement under the cornerstone investment;

(e) each of the Company, the Overall Coordinators (including CLSA Limited as one of the Sponsor-Overall Coordinators) and CSICM has provided the Stock Exchange with written confirmations in accordance with Chapter 4.15 of the Guide for New Listing Applicants; and

(f) each of the Overall Coordinators confirms that the identities of the Ultimate Clients (Shanghai Greenwoods) (as defined under the section headed "**Cornerstone Investors**") and details of the CITICS Back-to-back TRS and CITICS Client TRS (as defined under the section headed "**Cornerstone Investors**") are disclosed in this Prospectus, and details of the cornerstone investment and the allocations are disclosed in this Prospectus and will be disclosed in the allotment results announcement.

GF Securities (Hong Kong) Brokerage ("**GF Securities**") is an indirect wholly-owned subsidiary of GF Securities Co., Ltd.. Each of VPHKL and VPL is a wholly-owned subsidiary of Value Partners Group Limited, a company listed on the Stock Exchange (stock code: 806) ("**Value Partners Group**"). Since GF Securities is interested in 20.04% of the issued share capital of Value Partners Group, it renders each of VPHKL and VPL an associate of GF Securities. Each of VPHKL and VPL is therefore a member of the same group of companies as GF Securities, and considered a "connected client" of GF Securities pursuant to paragraph 1B(7) of the Placing Guidelines, holding securities on a discretionary basis on behalf of independent third parties. The Stock Exchange has granted the requested written consent on the following basis and conditions, as set out in paragraph 6 of Chapter 4.15 of the Guide for New Listing Applicants, that:

(a) each of the Overall Coordinators confirms that any Offer Shares to be allocated to each of VPHKL and VPL will be held on discretionary basis and on behalf of independent third parties;

(b) the Company confirms that the cornerstone investment agreement of each of VPHKL and VPL does not contain any material terms which are more favourable to it than those in other cornerstone investment agreements;

(c) each of the Company and the Overall Coordinators (including GF Securities as one of the Overall Coordinators) confirms that no preferential treatment has been, nor will be, given to VPHKL and VPL by virtue of each of its relationship with GF Securities, in any allocation of Offer Shares in the International Offering other than the assured entitlement under the relevant cornerstone investment agreement following the principles set out in Chapter 4.15 of the Guide for New Listing Applicants;

(d) each of VPHKL and VPL confirms that it has not received and will not receive any preferential treatment in the Global Offering allocation as a cornerstone investor by virtue of its relationship with GF Securities, other than the preferential treatment of assured entitlement under the cornerstone investment;

(e) each of the Company and the Overall Coordinators (including GF Securities as one of the Overall Coordinators) confirms that GF Securities has not participated and will not participate in the decision-making process or relevant discussions relating to allocation of securities to each of VPHKL and VPL;

(f) each of the Company, the Overall Coordinators (including GF Securities as one of the Overall Coordinators), VPHKL and VPL has provided the Stock Exchange with written confirmations in accordance with Chapter 4.15 of the Guide for New Listing Applicants; and

(g) each of the Overall Coordinators confirms that details of the cornerstone investment and details of the allocation will be disclosed in this Prospectus and the allotment results announcement.

For the purpose of the cornerstone investment, ICBC Wealth has engaged GF Securities Asset Management (Guangdong) Co., Ltd. (廣發証券資產管理(廣東)有限公司) ("**GF Securities AM**"), an asset manager that is qualified domestic institutional investor as approved by the relevant PRC authority, in the name of ICBC(ASIA)LTD-ICBC LTD-GFAM GYGGCL NO.1 AMA (QDII) (廣發資管工銀港股策略1號單一資產管理計劃 (QDII)) and ICBC(ASIA)LTD-ICBC LTD-GFAM GYGGCL NO.2 AMA (QDII) (廣發資管工銀港股策略2號單一資產管理計劃 (QDII)), to subscribe for and hold such Offer Shares on a non-discretionary basis on behalf of ICBC Wealth (the "**ICBC QDII Arrangement**").

GF Securities AM is a direct wholly-owned subsidiary of GF Securities Co., Ltd. (stock code: 1776.HK) and GF Securities is an indirect wholly-owned subsidiary of GF Securities Co., Ltd.. Each of GF Securities AM and GF Securities is a member of the same group of companies. As a result, GF Securities AM is considered a "connected client" of GF Securities pursuant to paragraph 1B(7) of the Placing Guidelines. The Stock Exchange has granted the requested written consent on the following basis and conditions, as set out in paragraph 6 of Chapter 4.15 of the Guide for New Listing Applicants, that:

(a) each of the Overall Coordinators confirms that the Offer Shares to be allocated to GF Securities AM will be held on a non-discretionary basis on behalf of ICBC Wealth, an independent third party;

(b) the Company confirms that the cornerstone investment agreement of ICBC Wealth (through GF Securities AM as the asset manager) does not contain any material terms which are more favourable to it than those in other cornerstone investment agreements;

(c) each of the Company and the Overall Coordinators (including GF Securities as one of the Overall Coordinators) confirms that no preferential treatment has been, nor will be, given to ICBC Wealth (through GF Securities AM as the asset manager) by virtue of their relationship with GF Securities, in any allocation of Offer Shares in the International Offering other than the assured entitlement under the relevant cornerstone investment agreement following the principles set out in Chapter 4.15 of the Guide for New Listing Applicants;

(d) GF Securities AM confirms that no preferential treatment has been, nor will be, given to ICBC Wealth (through GF Securities AM as the asset manager) in the Global Offering allocation as a cornerstone investor by virtue of their relationship with GF Securities, other than the preferential treatment of assured entitlement under the cornerstone investment;

(e) each of the Company, the Overall Coordinators (including GF Securities as one of the Overall Coordinators) and GF Securities AM has provided the Stock Exchange with written confirmations in accordance with Chapter 4.15 of the Guide for New Listing Applicants; and

(f) details of the cornerstone investment (including the ICBC QDII Arrangement) and details of the allocation will be disclosed in this Prospectus and the allotment results announcement.

For further information about the proposed cornerstone investments by CSICM, VPHKL, VPL and ICBC Wealth, please refer to the section headed "Cornerstone Investors" in this Prospectus.

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

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

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

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

Our A Shares have been listed on the main board of the Shenzhen Stock Exchange (stock code: 001389) since April 2, 2024. As such, our A Shares are widely held and actively traded.

We have applied to the Stock Exchange for, and the Stock Exchange has granted to us, a waiver from strict compliance with the requirements under Rule 10.04 of, and 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 our Company's voting rights prior to the completion of the Global Offering; and (ii) are not and will not become (upon the completion of the Global Offering) core connected persons (as defined in the Listing Rules) of our Company or the close associates of any such core connected person (together, the "**Existing Minority Shareholders,**" and each an "**Existing Minority Shareholder**") on the following conditions:

(i) the Joint Sponsors shall confirm to the Stock Exchange in writing that:

    (a) each Existing Minority Shareholder to whom our Company may allocate the H Shares in the International Offering holds less than 5% of our Company's voting rights prior to the completion of the Global Offering;

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

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

(d) allocation to the Existing Minority Shareholders and/or their close associates will not affect our Company's ability to satisfy the public float requirement as prescribed under Rule 19A.13A(2) of the Listing Rules, and details of the allocation to the Existing Minority Shareholders holding 1% or more of the issued share capital of our Company immediately prior to the completion of the Global Offering will be disclosed in this Prospectus and/or the allotment results announcement, as the case may be;

(e) to the best of their knowledge and belief, they have no reason to believe that any of the Existing Minority Shareholders received any preferential treatment, or is in a position to exert influence on our Company to obtain actual or perceived preferential treatment in the allocation either as a cornerstone investor or as a placee by virtue of their relationship with our Company other than the preferential treatment of assured entitlement under a cornerstone investment following the principles set out in Chapter 4.15 of the Guide for New Applicants;

(ii) our Company shall confirm to the Stock Exchange in writing that:

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

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

(iii) 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 the Existing Minority Shareholders or their close associates by virtue of their relationship with our Company in any allocation in the placing tranche.

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

Pursuant to Rule 4.04(1) of the Listing Rules, the accountants' report contained in this prospectus must include, *inter alia*, the results of our Company 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.

Pursuant to Rule 13.49(1) of the Listing Rules, issuers are required to publish preliminary financial results not later than three months after the end of each financial year.

Pursuant to section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, a prospectus shall include 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 the case may be) of our Company 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.

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 auditor of our Company with respect to profits and losses in respect of each of the three financial years immediately preceding the issue of this prospectus and assets and liabilities of our Company at the last date to which the financial statements of our Company were prepared.

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 the SFC thinks fit, a certificate of exemption from compliance with the relevant requirements under 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 that compliance with any or all of such requirements would be irrelevant or unduly burdensome or is otherwise unnecessary or inappropriate.

Appendix II to Chapter 1.1A of the Guide provides the conditions for granting a waiver from strict compliance with Rule 4.04(1) of the Listing Rules as follows:

(a) the applicant must list on the Stock Exchange within three months after the latest financial year end;

(b) the applicant must obtain a certificate of exemption from the SFC on compliance with section 342(1)(b) of and paragraphs 27 and 31 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance requirements; and

(c) the prospectus must include the financial information for the latest financial year and a commentary on the results for that financial year. The financial information to be included in the prospectus must (i) follow the same content requirements as for a preliminary results announcement under Rule 13.49 of the Listing Rules; and (ii) be agreed with the reporting accountants following their review under Practice Note 730 "Guidance for Auditors Regarding Preliminary Announcements of Annual Results" issued by the Hong Kong Institute of Certified Public Accountants.

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

(a) this prospectus will be issued on or before March 12, 2026 and our Company's H Shares will be listed on or before March 31, 2026, i.e. within three months after the latest financial year end;

(b) inclusion in this prospectus (i) the unaudited preliminary financial information of our Group for the year ended December 31, 2025 and a commentary on the results for the year, which has been agreed with the Reporting Accountants, following their review under Practice Note 730 "Guidance for Auditors Regarding Preliminary Announcements of Annual Results" issued by the Hong Kong Institute of Certified Public Accountants, and such disclosure is no less than the content requirements for a preliminary results announcement under Rule 13.49 of the Listing Rules (the "**Preliminary Financial Information and Commentary**"); and (ii) the information regarding the recent development of our Group subsequent to the Track Record Period and up to the Latest Practicable Date; and

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

An application has also been made to the SFC for a certificate of exemption from strict compliance with the requirements under paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance and a certificate of exemption has been granted by the SFC under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the conditions that (i) the particulars of the exemption are set out in this prospectus and (ii) this prospectus will be issued on or before March 12, 2026 and our Company's H Shares will be listed on or before March 31, 2026, i.e. within three months after the latest financial year end.

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

(a) there would not be sufficient time for our Company and the reporting accountants of our Company to finalize the audited financial statements for the year ended December 31, 2025 for inclusion in this prospectus. If the financial information for the year ended December 31, 2025 is required to be audited, our Company and the reporting accountants would have to carry out substantial volume of work to prepare, update and finalize the Accountants' Report and 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 the audited results for the year ended December 31, 2025 to be finalized in a short period of time. Our Directors consider that the benefits of such work to the existing and prospective Shareholders of our Company may not justify the additional work and expenses involved and the delay of the Listing timetable;

(b) our Company has included in this prospectus (i) the Accountants' Report covering the three years ended December 31, 2024 and the nine months ended September 30, 2025; (ii) the Preliminary Financial Information and Commentary; and (iii) the information regarding the recent development of our Group subsequent to the Track Record Period and up to the Latest Practicable Date;

(c) our Directors and the Joint Sponsors confirm, after performing sufficient due diligence work up to the date of this prospectus, that there has been no material adverse change to the financial and trading positions or prospects of the Group since October 1, 2025 (immediately following the date of the latest audited statement of financial position in the Accountants' Report set out in Appendix I to this prospectus) up to the date of this prospectus, and there has been no event since October 1, 2025 which would materially affect the information contained in the Accountants' Report as set out in Appendix I to this prospectus, the financial information section, the unaudited preliminary financial information of the Group for the year ended December 31, 2025, as set out in Appendix IIB to this prospectus and information regarding the Company's recent development subsequent to the Track Record Period and up to the date of this prospectus.

(d) our Company and the Joint Sponsors are of the view that the Accountants' Report covering the three years ended December 31, 2024 and the nine months ended September 30, 2025, as set out in Appendix I to this prospectus, the unaudited pro forma financial information as set out in Appendix IIA to this prospectus, unaudited preliminary financial information for the year ended December 31, 2025 as set out in Appendix IIB to this prospectus, together with other disclosure in this prospectus, has already provided the potential investors with adequate and reasonably up-to-date information in the circumstances to form a view on the track record of our Company. Our Directors confirm that all information which is necessary for the investing public to make an informed assessment of the business, assets and liabilities, financial position, management and prospects has been included in this prospectus. Therefore, the waiver and the exemption would not prejudice the interests of the investing public;

(d) our Company will not be in breach of its Articles of Association or laws and regulations of the PRC or other regulatory requirements as a result of not publishing its preliminary results announcement for the year ended December 31, 2025 in accordance with Rule 13.49(1) of the Listing Rules. Pursuant to the Note to Rule 13.49(1) of the Listing Rules, our Company will publish an announcement after Listing and no later than March 31, 2026 stating that the relevant financial information has been included in this prospectus; and

(f) our Company will comply with the requirements under Rule 13.46 of the Listing Rules in respect of the publication of our annual report. Our Company currently expects to issue our annual report for the financial year ended December 31, 2025 on or before April 30, 2026. 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.

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 Chapter 4.14 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 Shenzhen 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 Shenzhen 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 Part A the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance by providing a clear indication of the maximum subscription consideration a potential investor shall pay for the Offer Shares; and

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

The Stock Exchange has granted to us a waiver from strict compliance with paragraph 15(2)(c) of Appendix D1A to the Listing Rules on the conditions that (1) in no circumstances will we set the Offer Price for the Hong Kong Offer Shares be greater than the maximum Offer Price as stated in the Prospectus; and (2) 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 Shenzhen Stock Exchange during the Track Record Period and up to the Latest Practicable Date;

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

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

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

DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

This Prospectus, for which our Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Securities and Futures (Stock Market Listing) Rules (Chapter 571V of the Laws of Hong Kong) and the Listing Rules for the purpose of giving information with regard to us. 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 CSRC issued a notification on January 16, 2026 confirming our completion of the filing procedures for the Listing and the Global Offering. In issuing such notification, the CSRC accepts no responsibility for our financial soundness or the accuracy of any of the statements made or opinions expressed in this Prospectus.

INFORMATION ON THE GLOBAL OFFERING

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

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

The Listing is sponsored by the 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 under the terms and conditions of the Hong Kong Underwriting Agreement and is subject to our Company and Sponsor-Overall Coordinators (for themselves and on behalf of other Overall Coordinators and the Underwriters) agreeing on the Offer Price. The International Offering is expected to be fully underwritten by the International Underwriters subject to the terms and conditions of the International Underwriting Agreement, which is expected to be entered into on or around the Price Determination Date.

If, for any reason, the Offer Price is not agreed among our Company and the Sponsor-Overall Coordinators (for themselves and on behalf of the Overall Coordinators and the Underwriters), the Global Offering will not proceed and will lapse. For full information about the Underwriters and the underwriting arrangements, see "Underwriting" in this Prospectus.

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

Details of the structure of the Global Offering, including its conditions, are set out in "Structure of the Global Offering," and the procedures for applying for the Hong Kong Offer Shares are set out in "How to Apply for Hong Kong Offer Shares" in this Prospectus.

RESTRICTIONS ON OFFER AND SALE OF THE OFFER SHARES

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

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

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We have applied to the Listing Committee for the listing of, and permission to deal in, the H Shares to be issued pursuant to the Global Offering. Dealings in the H Shares on the Stock Exchange are expected to commence on Friday, March 20, 2026. Other than our A Shares, which are currently listed on and dealt in on the Shenzhen Stock Exchange, no part of our equity 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 in the near future.

Under section 44B(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any allotment made in respect of any application will be invalid if the listing of, and permission to deal in, the H Shares on the 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 Stock Exchange.

H SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the H Shares 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 Listing Date or any other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second business day after any trading day.

All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

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

H SHARE REGISTER OF MEMBERS AND STAMP DUTY

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

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

PROFESSIONAL TAX ADVICE RECOMMENDED

You should consult your professional advisors if you are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of, or dealing in, the H Shares or exercising any rights attaching to the H Shares. We emphasize that none of our Company, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Capital Market Intermediaries, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of our or their respective directors, officers or representatives or any other person involved in the Global Offering accepts responsibility for any tax effects or liabilities resulting from your subscription, purchase, holding or disposing of, or dealing in, the H Shares or your exercise of any rights attaching to the H Shares.

EXCHANGE RATE CONVERSION

Unless otherwise specified, amounts denominated in Renminbi or U.S. dollars have been translated, for the purpose of illustration only, into Hong Kong dollars in this Prospectus at the following exchange rates: RMB0.88327: HK$1.00 and US$1.00: HK$7.8218.

No representation is made that any amounts in Renminbi or U.S. dollars were or could have been or could be converted into Hong Kong dollars at such rates or any other exchange rates on such date or any other date.

ROUNDING

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

LANGUAGE

For ease of reference, the names of Chinese laws and regulations, governmental 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 inconsistency, the Chinese versions shall prevail. English translations of company names and other terms from the Chinese language are provided for identification purposes only.

DIRECTORS

Name	Address	Nationality
Executive Directors		
Mr. Xiao Hongxing (肖紅星)	1 of No. 2, Lane 7, Xintian East Road Daojiao Town Dongguan City Guangdong Province PRC	Chinese
Ms. Zeng Hong (曾紅)	Room 105, Block C, Building 11 255 Guantai Avenue, Nancheng District Dongguan City Guangdong Province PRC	Chinese
Mr. Peng Jinghui (彭鏡輝)	Xiagang Street Public Collective Household 1 Dongyuan 3rd Street, Huangpu District Guangzhou PRC	Chinese
Non-executive Director		
Ms. Liu Jinchan (劉錦嬋)	1 of No.1, Lane 7, Xintian East Road Daojiao Town Dongguan City Guangdong Province PRC	Chinese
Independent non-executive Directors		
Ms. Chen Limei (陳麗梅)	Room 2102, 30 Zhunan Street Dongshan District Guangzhou Guangdong Province PRC	Chinese
Ms. Li Ying (李瑩)	Room 404, Building 4 139 Zhongshan Avenue West, Tianhe District Guangzhou PRC	Chinese
Dr. Shi Ling (施凌)	Room B, 10/F, Block 6 Senior Staff Quarters HKUST Clear Water Bay Hong Kong	Chinese (Hong Kong)

Further information about our Directors are set out in "Directors and Senior Management" in this Prospectus.

PARTIES INVOLVED IN THE GLOBAL OFFERING

Joint Sponsors	**CITIC Securities (Hong Kong) Limited** 18/F, One Pacific Place 88 Queensway Hong Kong **HSBC Corporate Finance (Hong Kong) Limited** 1 Queen's Road Central Hong Kong
Sponsor-Overall Coordinators, Overall Coordinators, Joint Global Coordinators, Joint Bookrunners, Joint Lead Managers and Capital Market Intermediaries	**CLSA Limited** 18/F, One Pacific Place 88 Queensway Hong Kong **The Hongkong and Shanghai Banking Corporation Limited** 1 Queen's Road Central Hong Kong
Overall Coordinators, Joint Global Coordinators, Joint Bookrunners, Joint Lead Managers and Capital Market Intermediaries *(in alphabetical order)*	**GF Securities (Hong Kong) Brokerage Limited** 27/F, GF Tower 81 Lockhart Road Wan Chai Hong Kong **Huatai Financial Holdings (Hong Kong) Limited** 62/F, The Center 99 Queen's Road Central Hong Kong
Joint Global Coordinator, Joint Bookrunner, Joint Lead Manager and Capital Market Intermediary	**Guolian Securities International Capital Co., Limited** Unit 2103-4, Li Po Chun Chambers 189 Des Voeux Road Central Sheung Wan Hong Kong
Legal Advisors to our Company	*As to Hong Kong and U.S. laws:* **Paul Hastings (Hong Kong) LLP** 22/F, Bank of China Tower 1 Garden Road Hong Kong

	As to PRC law: **AllBright Law Offices** 21, 22, 23/F, Excellence Century Centre Fu Hua 3 Road Futian District Shenzhen PRC
	As to the laws of Thailand: **Starry Law Firm (Thailand) Co., Ltd.** 77/114 27 Floor Sinn Sathon Krung Thon Buri Road Khlong Ton Sai, Khlong San Bangkok 10600 Thailand
Legal Advisors to the Joint Sponsors and the Underwriters	*As to Hong Kong and U.S. laws:* **Sullivan & Cromwell (Hong Kong) LLP** 20/F, Alexandra House 18 Chater Road Central Hong Kong
	As to PRC law: **Jia Yuan Law Offices** F408, Ocean Plaza 158 Fuxing Men Nei Avenue Xicheng District Beijing PRC
Auditor and Reporting Accountants	**Ernst & Young** *Certified Public Accountants* *Registered Public Interest Entity Auditor* 27/F, One Taikoo Place 979 King's Road Quarry Bay Hong Kong
Industry Consultant	**Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.** Room 2504, Wheelock Square No. 1717, West Nanjing Road Jing'an District, Shanghai PRC
Receiving Bank	**DBS Bank (Hong Kong) Limited** 16/F, The Center 99 Queen's Road Central Hong Kong

Registered Office	No.22 Baoying South Road Bonded Zone, Guangzhou PRC
Headquarters and Principal Place of Business in the PRC	No.22 Baoying South Road Bonded Zone, Guangzhou PRC
Place of Business in Hong Kong	Room 1928, 19/F Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Company's Website	**www.delton.com.cn** *(The information on the website does not form part of this Prospectus)*
Joint Company Secretaries	**Mr. Zeng Yangqing (曾楊清)** No.22 Baoying South Road Bonded Zone, Guangzhou PRC **Ms. Kwan Sau In (關秀妍)** Room 1928, 19/F Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
Authorized Representatives	**Mr. Xiao Hongxing (肖紅星)** 1 of No. 2, Lane 7, Xintian East Road Daojiao Town Dongguan City Guangdong Province PRC **Ms. Kwan Sau In (關秀妍)** Room 1928, 19/F Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong

Audit Committee	Ms. Chen Limei (陳麗梅) *(Chairperson)* Ms. Li Ying (李瑩) Ms. Liu Jinchan (劉錦嬋)
Remuneration and Appraisal Committee	Ms. Chen Limei (陳麗梅) *(Chairperson)* Ms. Li Ying (李瑩) Ms. Zeng Hong (曾紅)
Nomination Committee	Ms. Li Ying (李瑩) *(Chairperson)* Ms. Chen Limei (陳麗梅) Mr. Xiao Hongxing (肖紅星)
Strategy and ESG Committee	Mr. Xiao Hongxing (肖紅星) *(Chairperson)* Ms. Zeng Hong (曾紅) Ms. Li Ying (李瑩)
H Share Registrar	**Tricor Investor Services Limited** 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong
Compliance Advisor	**Yue Xiu Capital Limited** Rooms Nos. 4917–4937 49/F, Sun Hung Kai Centre No. 30 Harbour Road Wanchai, Hong Kong
Principal Banks	**China Merchants Bank Co., Ltd. Guangzhou Branch Development District Sub-branch** 286 Kexue Avenue, Kexuecheng Huangpu District Guangzhou PRC **HSBC Bank (China) Company Limited** 28/F, Taikoo Hui Tower 2 381 Tianhe Road, Tianhe District Guangzhou PRC

The information and statistics set out in this section and other sections of this Prospectus were extracted from the Frost & Sullivan Report prepared by Frost & Sullivan, which was commissioned by us, and from various official government publications and other publicly available publications. We engaged Frost & Sullivan to prepare the Frost & Sullivan Report, an independent industry report, in connection with the Global Offering. The information from official government sources has not been independently verified by us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of their respective directors and advisers or any other persons or parties involved in the Global Offering, and no representation is given as to its accuracy.

SOURCE OF INFORMATION

We commissioned Frost & Sullivan, an independent market research consulting firm which is principally engaged in the provision of market research consultancy services, to conduct a detailed analysis of the global PCB industry. During the preparation of the Frost & Sullivan Report, Frost & Sullivan performed both primary and secondary research, and obtained knowledge, statistics, information and industry insights on the trends of the global PCB industry. Primary research involved discussing the status of the industry with leading industry participants and experts. Secondary research involved reviewing annual reports of companies, independent research reports and Frost & Sullivan's proprietary database. The Frost & Sullivan Report was compiled based on the following assumptions: (i) China's social, economic and political environment is likely to remain stable in the forecast period; and (ii) the related industry key drivers are likely to drive the market in the forecast period.

Frost & Sullivan is an independent global consulting firm, which was founded in New York in 1961. It offers industry research and market strategies, and provides growth consulting and corporate training. We have been contracted to pay a fee of RMB0.5 million to Frost & Sullivan in connection with the preparation of the Frost & Sullivan Report. We have extracted certain information from the Frost & Sullivan Report in this section, as well as in the sections headed "Summary," "Risk Factors," "Business," "Financial Information" and elsewhere in this document to provide our potential investors with a more comprehensive presentation of the industry in which we operate.

Except as otherwise noted, all of the data and forecasts contained in this section are derived from the Frost & Sullivan Report. Our Directors confirm that after taking reasonable care, there has been no adverse change in the market information since the date of the report prepared by Frost & Sullivan which may qualify, contradict or have an impact on the information set forth in this section in any material respect.

OVERVIEW OF PRINTED CIRCUIT BOARD INDUSTRY

Definition and Classification of PCB Industry

Classification by Product Type

PCBs are circuit boards with predefined conductive pathways formed on insulating substrates, serving as foundational components that carry and interconnect electronic components in devices, often referred to as the "mother of electronic products."

PCB can be categorized into (i) multilayer PCBs, categorized by layer count into low-layer-count PCB (single- or double-sided), mid-low-layer-count PCB (four to six layers), and high-layer-count PCB (eight layers and above), (ii) HDI PCBs, utilizing blind/buried vias to maximize wiring density, enabling higher component integration in compact spaces while reducing signal interference and loss, (iii) Flex PCBs, fabricated from flex substrates or hybrid rigid-flex materials, which offer lightweight, bendable designs that optimize space utilization, (iv) IC Substrates, evolved from HDI technology and feature higher precision and more complex structures, which apply to packaging and fixing of integrated circuits such as processor chips, memory chips, MEMS devices, and RF modules.

Classification by Downstream Applications

Different application scenarios impose varying requirements on material selection, layer design, and process standards. Downstream applications can be broadly categorized into (i) computing application, primarily including those designed for high performance servers and datacenter switches. These PCBs typically have high layer counts and use high speed materials, which are critical for meeting stringent requirements for signal integrity and thermal management in CPUs, GPUs, and storage devices, thereby ensuring stability and efficiency of servers under heavy workloads. Due to the complexity of these technical requirements, computing application PCBs generally carry high added value, (ii) industrial application, primarily including those designed for wired and wireless infrastructure, automotive electronics, industrial control, medical devices and aerospace. These applications emphasize high reliability and environmental adaptability and (iii) consumer application, primarily including those designed for smartphones, computers, wearable devices, home applications and others. As consumer electronics evolve toward thinner profiles, miniaturization, diversification, and enhanced performance, demand for HDI PCBs and flex PCBs continues to grow.

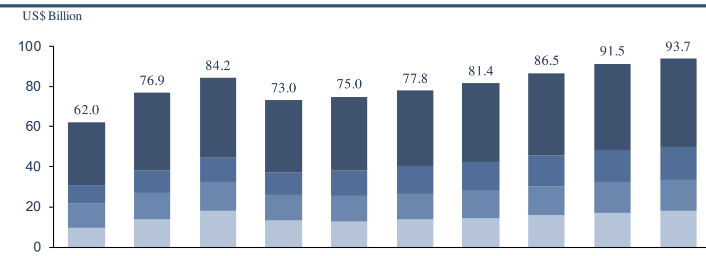
Market Size of Global PCB Industry

In terms of sales revenue, the global PCB market has shown steady growth, expanding from US$62.0 billion in 2020 to US$75.0 billion in 2024, with a CAGR of 4.9% during this period. Moving forward, driven by global macroeconomic recovery and emerging applications such as datacenters, AI, autonomous driving, and AR/VR, the global PCB market is expected to maintain stable growth from 2024 to 2029, with a CAGR of 4.5%. In 2023, the global PCB market experienced an overall decline, primarily attributed to multiple impacts, including contraction in consumer electronics demand, inventory accumulation, and declining average selling prices. This was particularly driven by weak demand for traditional consumer electronics such as PCs, smartphones, and televisions, where the consumer electronics sector serves as the primary end-use application for PCB products.

Breakdown by Products

From product perspective, multilayer PCBs hold the highest share in the global PCB market. In 2024, the market size of global multilayer PCBs reached US$36.7 billion, accounting for 48.9% of the total market. With rising global demand for computing power, high-layer-count multilayer PCBs and HDI PCBs are expected to become the optimal solutions for modern servers' complex computational needs due to their advantages in high density interconnect, high performance data transmission, superior heat dissipation, reliability, and stability. The market size of multilayer PCBs and HDI PCBs is projected to reach US$43.6 billion and US$16.9 billion, respectively, by 2029, with CAGRs of 3.5% and 5.7% from 2024 to 2029.

Total Revenue of PCB Market (by product), Global, 2020-2029E



	2020	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	CAGR (2020-2024)	CAGR (2024-2029E)
Multilayer	31.0	38.6	39.9	36.0	36.7	37.7	39.1	41.1	43.0	43.6	4.3%	3.5%
HDI	9.4	11.3	12.1	11.1	12.8	13.7	14.4	15.4	16.4	16.9	8.0%	5.7%
Flex	11.9	13.4	14.3	12.8	12.8	12.8	13.4	14.3	15.1	15.5	1.8%	3.9%
IC Substrates	9.7	13.6	17.9	13.1	12.9	13.6	14.5	15.8	17.0	17.8	7.3%	6.7%
Total	**62.0**	**76.9**	**84.2**	**73.0**	**75.0**	**77.8**	**81.4**	**86.5**	**91.5**	**93.7**	**4.9%**	**4.5%**

Source: Frost & Sullivan

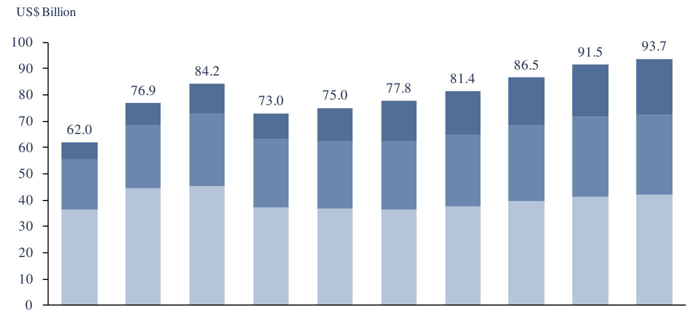
Within the multilayer PCBs market, boards with different layer counts exhibit significant differences in technology and applications. In 2024, the revenue of multilayer PCBs with six and below layers reached US$24.2 billion, accounting for approximately 65.9% of the total revenue of multilayer PCBs. Multilayer PCBs with eight to 16 layers are primarily employed in communication equipment, high performance servers, and high-end automotive electronics, with revenue reached US$10.0 billion in 2024, representing 27.4% of the total revenue of multilayer PCBs. Multilayer PCBs with 18 and above layers are currently in the technological development phase and are mainly used in emerging fields such as AI servers and high speed network communication. The revenue of multilayer PCBs with 18 and above layers reached US$2.5 billion in 2024 and is projected to grow to US$5.0 billion by 2029, achieving a CAGR of 15.0% during this period, making it the fastest-growing market segment.

With the growing emphasis on signal integrity and thermal performance in applications such as artificial intelligence, high-performance computing, advanced communication systems, and intelligent driving, demand for MLPCBs with 14 layers or more is accelerating. By enabling denser wiring and supporting more sophisticated circuit configurations, these boards make it possible to deliver increasingly complex functions within constrained physical dimensions. In terms of sales revenue, the global market size of high-layer-count MLPCB with 14 layers and above has grown from US$3.9 billion in 2020 to US$5.6 billion by 2024, with a CAGR of 9.5% from 2020 to 2024, and is expected to reach US$9.7 billion by 2029, with a CAGR of 11.6% from 2024 to 2029.

Breakdown by Downstream Applications

Overall, the global markets for computing application PCBs, industrial application PCBs, and consumer application PCBs all demonstrated growth trends from 2020 to 2029. Within this landscape, the 2023 contraction in the global computing application PCB market resulted from decreasing demand for general-purpose servers, while future growth will be primarily driven by rapid expansion of the AI server market and rising demand for advanced products such as high-layer-count PCBs and HDI PCBs. During 2023 to 2024, the global industrial application PCB market experienced mild contraction due to decelerated infrastructure investment (both wired and wireless) and weakened industrial control demand; however, steady increase is projected going forward, fueled by new energy vehicles, next-generation communication technologies, and industrial intelligence initiatives. Concurrently, the global consumer application PCB market faced pressure from decreasing demand for traditional devices including PCs, smartphones, and televisions throughout 2023 to 2025, yet accelerating adoption of AI phones, AI PCs, and AR/VR devices will stimulate end-market recovery, consequently boosting demand for consumer application PCBs.

Total Revenue of PCB Market (by downstream application), Global, 2020-2029E



	2020	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	CAGR (2020-2024)	CAGR (2024-2029E)
Computing Application PCBs	6.4	8.3	11.3	9.9	12.5	15.4	16.7	18.3	19.9	21.0	18.2%	10.9%
Industrial Application PCBs	18.9	23.8	27.7	26.1	25.9	26.0	27.1	28.7	30.2	30.8	8.1%	3.5%
Consumer Application PCBs	36.6	44.7	45.2	37.0	36.7	36.3	37.6	39.5	41.4	41.9	0.0%	2.7%
Total	**62.0**	**76.9**	**84.2**	**73.0**	**75.0**	**77.8**	**81.4**	**86.5**	**91.5**	**93.7**	**4.9%**	**4.5%**

Source: Frost & Sullivan

Breakdown by Region

From regional perspectives, China dominated the global PCB market with 56.0% share in 2024, followed by Japan at 7.9%, the Americas at 4.7%, and Europe at 2.2%. Simultaneously, in the global multilayer PCB market, China also held the largest share at 67.6% in 2024, with subsequent positions held by the Americas at 7.5%, Japan at 5.6%, and Europe at 3.1%.

Market Size of China PCB Industry

In terms of sales revenue, the China's PCB market expanded from US$33.3 billion in 2020 to US$42.0 billion in 2024, with a CAGR of 6.0% during this period. Moving forward, the China's PCB market is expected to reach US$50.3 billion in 2029, with a CAGR of 3.7% from 2024. In 2024, by downstream application, computing application PCBs accounted for 10.9% of China's PCB market, industrial application PCBs for 43.9%, and consumer application PCBs for 45.2%. By product type, multilayer PCBs dominated China's PCB market at 58.9%, followed by HDI PCBs at 19.0%, flex PCBs at 14.5%, and IC substrates at 7.5%. Further segmented by destination, China's PCB exports represented 48.0% of the market in 2024, with domestic consumption comprising the remaining 52.0%.

Market Drivers of Global PCB Industry

Demand-Side Drivers. The global PCB industry continues to experience growing demand, driven by the diversification of downstream applications and the adoption of emerging technologies. Rapid advancements in sectors such as telecommunications (5G/6G), datacenters, artificial intelligence, IoT, and automotive electronics (smart driving, electrification) are fueling the need for high performance, high density PCBs. Additionally, expansions in industrial automation and medical electronics provide long-term growth momentum for the PCB industry.

Product and Technology Innovation. Technological evolution remains a core driver of the PCB industry. Rising demand for advanced products like high-layer-count PCBs, HDI PCBs, flex boards, and IC substrates caters to requirements for high performance computing and advanced packaging. Breakthroughs in new materials and cutting-edge manufacturing processes further propel industry upgrades, enhancing the competitiveness of PCB manufacturers.

Favorable Policy Support. Governments worldwide recognize PCB as a critical component of electronics manufacturing and are driving industry growth through funding, tax incentives, and supply chain integration. For example, in U.S., the use of the Defense Production Act (DPA) to allocate $50 million aims to support the U.S. PCB and advanced chip packaging industries. The European Union approved the European Chips Act with a €43 billion plan for strengthening the EU's semiconductor ecosystem, which will also support the development of the IC substrate industry. China's Recommendation of the Central Committee of the Communist Party of China for Formulating the 15th Five-Year Plan for National Economic and Social Development emphasizes accelerating innovation in digital and intelligent technologies such as artificial intelligence by advancing foundational theories and core technologies, and strengthening the efficient supply of computing power, algorithms, and data. At the same time, it promotes the rapid development of strategic emerging industrial clusters, including new energy, new materials, aerospace, and the low-altitude economy. This directly drives demand growth for PCBs as core electronic components and pushes for high-end technological breakthroughs in China's PCB industry. Given China's core position in the global PCB industry chain, its industrial upgrade will further drive the sustained development of the global PCB sector.

GLOBAL HIGH PERFORMANCE SERVER PCB INDUSTRY OVERVIEW

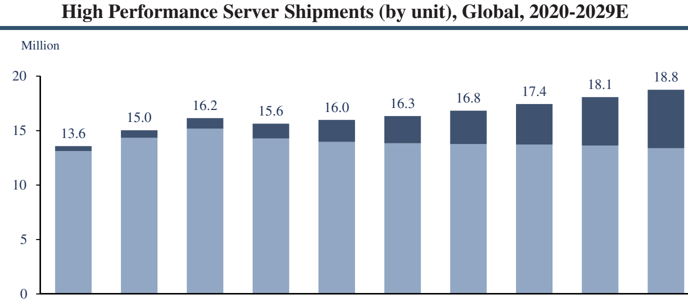
Background of Global Computing Power Industry

Market Size of High Performance Server

In datacenters, high performance servers undertake core computing tasks and are specifically designed for compute-intensive tasks, with their core function being the efficient processing of large-scale data, complex algorithms, and compute-intensive operations.

Based on differences in hardware architecture, task scenarios, and performance requirements, high performance servers can be further categorized into AI servers and general-purpose servers. General-purpose servers, built on multi-core CPUs, support basic data processing and are typically used for routine computing. AI servers leverage heterogeneous architectures (e.g., CPU+GPU/TPU) to accelerate intelligent tasks such as machine learning and model training, handling massive datasets and complex algorithms for AI-specific computations.

High Performance Server Shipments (by unit), Global, 2020-2029E

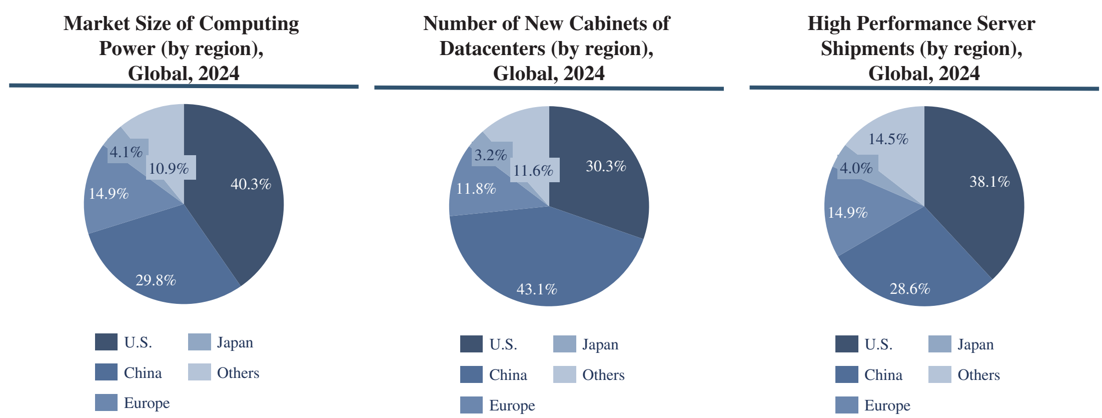


	2020	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	CAGR (2020-2024)	CAGR (2024-2029E)
AI Server	0.5	0.7	1.0	1.4	2.0	2.5	3.1	3.7	4.4	5.4	45.2%	21.7%
General-purpose Server	13.1	14.3	15.2	14.3	14.0	13.8	13.8	13.7	13.6	13.4	1.6%	-0.9%
Total	**13.6**	**15.0**	**16.2**	**15.6**	**16.0**	**16.3**	**16.8**	**17.4**	**18.1**	**18.8**	**4.2%**	**3.2%**

Source: Frost & Sullivan

Market Size Breakdown by Region

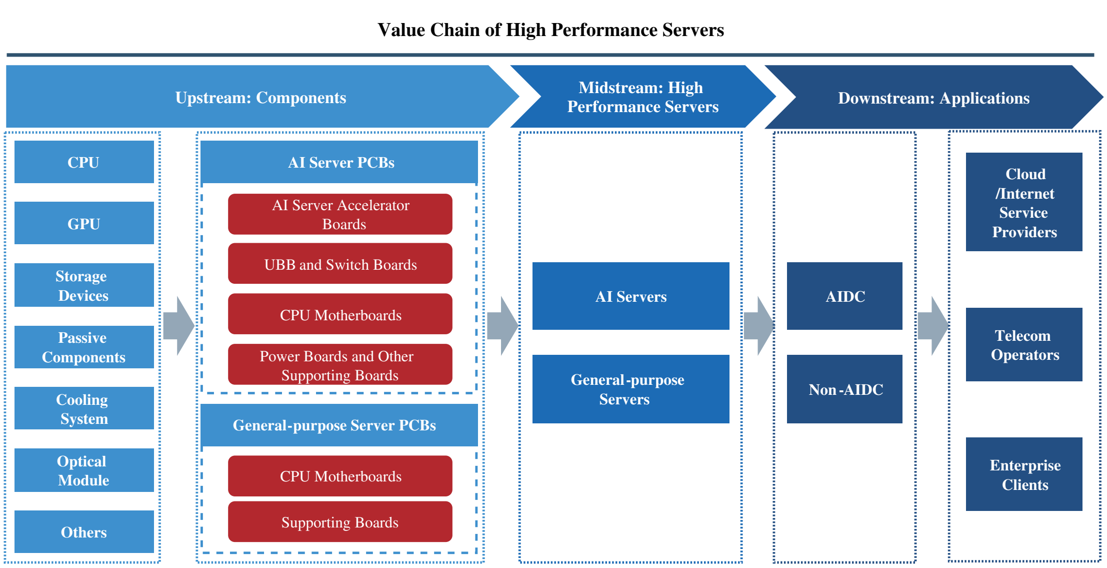
From regional perspectives, in 2024, the U.S. led global computing power capacity with a 40.3% share, followed by China at 29.8%, Europe at 14.9%, and Japan at 4.1%. By the number of newly added datacenter cabinet units, China represented the largest proportion at 43.1%, with subsequent shares held by the U.S. at 30.3%, Europe at 11.8%, and Japan at 3.2%. Regarding server shipments, the U.S. accounted for the highest share at 38.1%, followed by China at 28.6%, Europe at 14.9%, and Japan at 4.0%.



Source: Frost & Sullivan

Industry Chain of High Performance Server

The upstream of the high performance server industry chain includes components such as CPUs, GPUs, storage devices, passive components, cooling systems, optical modules, and PCBs. Among these, PCBs, as critical foundational materials, are widely used and integrated throughout the entire computing hardware ecosystem. High performance PCBs include AI server accelerator boards, UBB and switch boards, CPU motherboards, as well as supporting boards.



Source: Frost & Sullivan

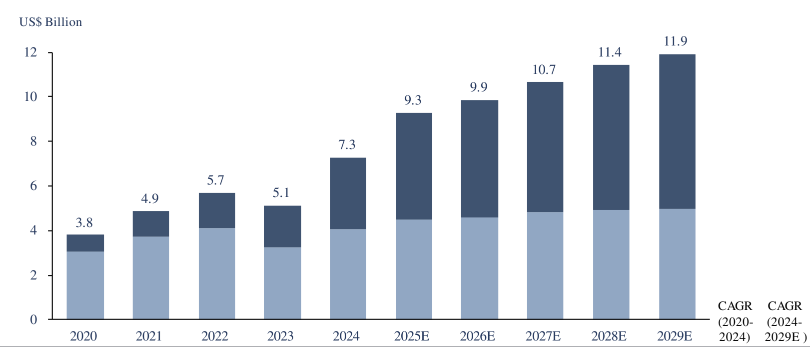
Definition and Classification of High Performance Server PCB

High performance server PCBs, as the physical carrier and signal hub of computing infrastructure, have evolved from basic circuit connections to a core technological platform supporting high performance computing. First, PCBs provide a physical mounting platform for critical components such as CPU, GPU, memory, network interface, and power, enabling mechanical fixation and electrical connectivity between components through conductive traces and solder pads. Second, as signal transmission channels, PCBs facilitate high speed data exchange via precision routing design. Their conductive traces and interlayer connection technologies ensure low-latency, high-bandwidth communication between chips, memory, and storage devices while minimizing signal interference and loss. High performance server PCBs mainly include AI server accelerator boards, UBB and switch boards, CPU motherboards, as well as storage boards, memory boards, network interface boards, and etc.

Market Size of High Performance Server PCB Market

By high performance server type, the global AI server PCB and general-purpose server PCB markets in 2024 were US$3.2 billion and US$4.0 billion, respectively. Moving forward, the core growth in high performance server PCBs is expected to concentrate on AI server PCBs. The primary driver is that, compared to general-purpose servers, AI servers incorporate additional accelerator boards and UBB and switch boards, significantly elevating the technical barriers and per-unit value of their PCB products above traditional general-purpose servers. Consequently, driven by the AI server market, the AI server PCB market is anticipated to grow at a higher rate, reaching US$7.0 billion by 2029, with a CAGR of 16.5% from 2024 to 2029.

Total Revenue of High Performance Server PCB Market (by server type), Global, 2020-2029E

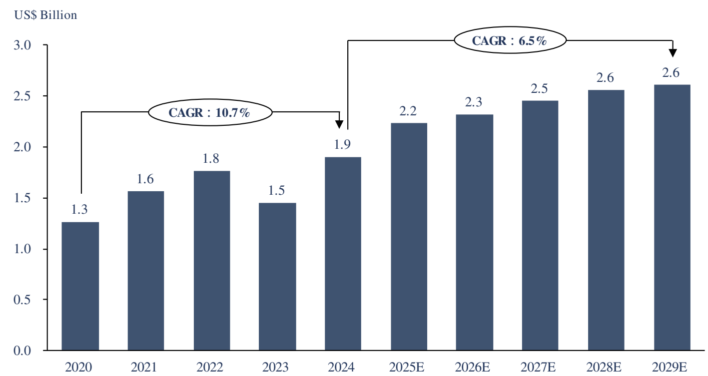


	2020	2021	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	CAGR (2020-2024)	CAGR (2024-2029E)
AI Server	0.7	1.2	1.6	1.9	3.2	4.8	5.3	5.8	6.5	7.0	44.8%	16.5%
General-purpose Server	3.1	3.7	4.1	3.2	4.0	4.5	4.6	4.8	4.9	5.0	7.2%	4.2%
Total	**3.8**	**4.9**	**5.7**	**5.1**	**7.3**	**9.3**	**9.9**	**10.7**	**11.4**	**11.9**	**17.7%**	**10.4%**

Source: Frost & Sullivan

In the high performance server PCB market, CPU motherboards are one of the core products, with global revenue reaching US$1.9 billion in 2024. Driven by the steady growth of the high performance server market, the market size of CPU motherboards is expected to grow at a CAGR of 6.5%, projected to reach US$2.6 billion by 2029.

The Market Size of CPU Motherboards of High Performance Server (by Revenue), Global, 2020-2029E



Source: Frost & Sullivan

Market Drivers of Global High Performance Server PCB Industry

Datacenter Expansion Drives Demand Growth. Accelerated global digital transformation has propelled datacenter construction into a period of rapid growth. The widespread adoption of cloud computing, big data, IoT, and AI applications has increased demand for data processing. Servers, as the core carriers of data storage and processing, continue to advance in deployment density and performance standards, driving increased usage of PCBs as critical interconnect components. Simultaneously, green and low-carbon policies push for datacenter energy efficiency upgrades, boosting demand for high-density, high-thermal-performance PCBs.

Server Platform Iteration Fuels Technological Advancements. The adoption of next-generation PCIe 5.0/6.0 protocols and high speed communication standards imposes stricter requirements on PCB signal integrity. The evolution of server architectures from CPU-centric designs to CPU+GPU heterogeneous computing necessitates multilayer stacking designs to achieve high speed inter-chip connectivity, alongside ultra-low-loss materials to minimize high-frequency signal attenuation. Additionally, components like AI server accelerator boards and switch boards drive the adoption of advanced PCB manufacturing techniques, including high aspect ratios and microvia interconnects.

Localization Accelerates the Rise of Domestic Supply Chains. Driven by global supply chain security concerns and breakthroughs in domestic technologies, Chinese PCB manufacturers are rapidly capturing high-end markets. The emergence of domestic computing power chips has spurred the localization of supporting PCB supply chains. Through material formula improvements, optimized processing techniques, and smart production lines, domestic companies enhance mass production capabilities for high-layer-count server PCBs, breaking foreign monopolies in ultra-high-layer boards. Cost advantages further drive the scalable adoption of high performance server PCBs.

Development Trends of Global High Performance Server PCB Industry

Continuous Product Iteration and High-end Development. The explosion of AI computing power demand is driving PCB technology toward accelerated evolution in high-frequency, high speed, and high density directions. AI servers impose significantly higher requirements on PCB layer counts, signal transmission rates, and thermal performance. Compared to traditional servers, mainstream AI server PCBs feature substantially increased layers, support for PCIe 5.0/6.0 interfaces with markedly improved transmission rates, and adoption of ultra-low-loss materials to reduce dielectric constants and signal attenuation. PCBs are advancing toward ultra-high layer counts and miniaturized routing, further enhancing signal integrity and power delivery efficiency.

Global Expansion and Capacity Relocation of Domestic Enterprises. Under geopolitical pressures and cost drivers, Chinese PCB companies are accelerating global production capacity layouts. To bypass trade barriers and reduce manufacturing costs, many PCB firms are establishing bases in Vietnam and Thailand, forming a "domestic R&D + overseas manufacturing" dual-cycle model. Concurrently, domestic enterprises are relocating production overseas.

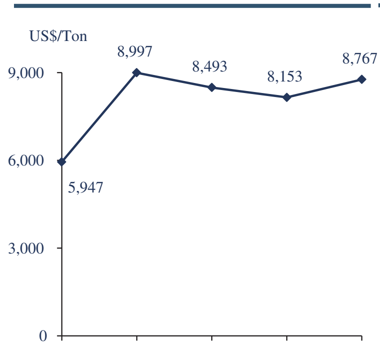
Further Market Consolidation. The industry is rapidly consolidating around leading players with high technical barriers and mass-production capabilities. Some domestic manufacturers have broken through advanced PCB technologies such as HDI and advanced packaging substrates, gradually replacing the market shares of European, American, and Japanese competitors. Additionally, the "winner-takes-all" effect intensifies, the high technical thresholds of AI server PCBs squeeze the survival space for small and medium-sized manufacturers, while industry leaders dominate the market through technological expertise, customer partnerships, and production scale advantages.

Intelligent Manufacturing and Process Innovation. High performance server PCB production is evolving toward fully intelligent workflows and deep process innovation. With the integration of AI algorithms, PCB manufacturers are leveraging machine learning to optimize routing designs. Smart production line upgrades enhance precision manufacturing capabilities, utilizing visual inspection systems to monitor critical parameters like microvia accuracy and interlayer alignment in real time, ensuring stable yields for ultra-high-layer boards. Meanwhile, process innovations focus on ultra-thin core lamination and high-aspect-ratio drilling, breaking traditional multilayer PCBs' physical limits to provide reliable substrate solutions for next-generation computing hardware.

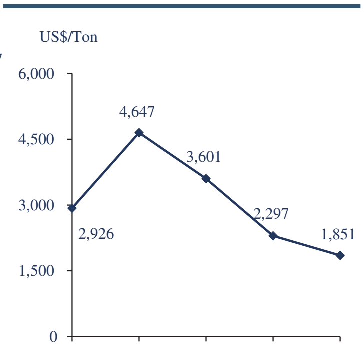
Raw Material Price Analysis of PCB Market

The core raw material for PCB is CCL, and the primary raw materials for CCL are copper foil, resin, and glass fiber cloth. The price of copper foil is directly influenced by fluctuations in international copper prices, meaning rising copper costs are transmitted layer by layer to CCL and PCB production costs. Based on annual average spot settlement prices, copper prices increased from US$5,947 per ton in 2020 to US$8,997 per ton in 2021. In recent years, prices have remained relatively stable, with copper priced at US$8,767 per ton in 2024. The average price of epoxy resins increased from US$2,926 per ton in 2020 to US$4,647 per ton in 2021, subsequently declining to US$1,851 per ton in 2024. Similarly, the average price of electronic grade fiberglass fabric increased from US$735 per km in 2020 to US$915 per km in 2021, subsequently declining to US$515 per km in 2024.

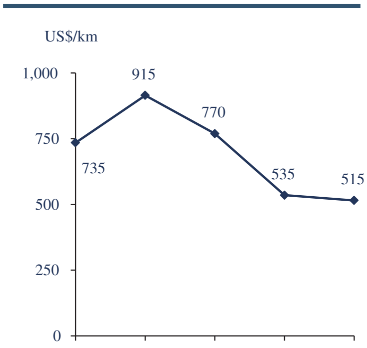
Average Copper Settlement Price, Global, 2020-2024



Average Epoxy Resins Price, Global, 2020-2024



Average Price of Electronic Grade Fiberglass Fabric, Global, 2020-2024



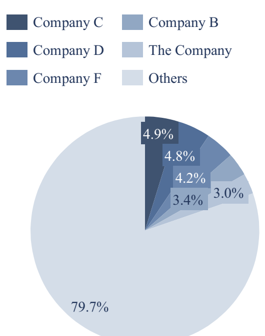
Source: Frost & Sullivan

Competitive Analysis of PCB Market

The global PCB market is characterized by a large number of players and a low level of market concentration. In terms of cumulative global revenue, the Company ranked among the top 60 in the global PCB market with a market share of 0.6% for the period from 2022 to 2024, and among the top 20 PCB companies headquartered in the Chinese Mainland. In terms of cumulative the Chinese Mainland revenue, the Company ranked among the top 70 in the China PCB market with a market share of 0.3% for the period from 2022 to 2024.

In the global high-layer-count MLPCB (14+ layers) market, in terms of cumulative global revenue, the Company ranked fifth globally and third among PCB companies headquartered in the Chinese Mainland, with cumulative revenue of US$480.3 million and a 3.0% market share. In terms of cumulative the Chinese Mainland revenue, the Company ranked among the top 15 in the China high-layer-count MLPCB (14+ layers) market with a market share of 1.5% for the period from 2022 to 2024.

Ranking and Market Share of High-layer-count MLPCB with 14+ Layers, Global, 2022-2024



Rank	Company Name	Headquarter	Cumulative Revenue (US$ Million)	Market Share
1	Company C	Chinese Mainland	771.8	4.9%
2	Company D	Chinese Mainland	755.6	4.8%
3	Company F	U.S.	675.0	4.2%
4	Company B	Taiwan	540.3	3.4%
5	**The Company**	**Chinese Mainland**	**480.3**	**3.0%**
	Others		12,678.3	79.7%
	Total		**15,901.3**	**100.0%**

Source: Interviews with Industry Experts, Public Information, Frost & Sullivan

Note:

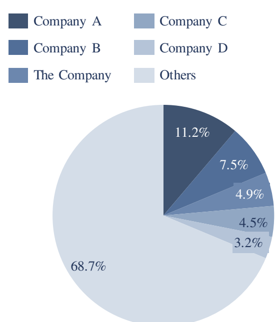
The conversion of revenue into U.S. dollars is calculated based on the average annual exchange rate for each year.
Company B established in 1991 is a company listed on TWSE and headquartered in Taiwan, China, and manufacturing electronic products back-end equipment, offering cost-effective, high-quality PCB solutions that enable sustainable, long-term growth.
Company C established in 1992 is a company listed on SZSE and headquartered in Jiangsu, China, focusing on the R&D and production of Printed Circuit Board, with its main products widely being used in various fields.
Company D established in 1984 is a company listed on SZSE and headquartered in Guangdong, China, providing printed circuit boards and packaging substrate solutions.
Company F established in 1998 is a company listed on NASDAQ and headquartered in California, U.S., specializing in the R&D, manufacturing and sales of advanced printed circuit boards including multilayer PCBs, HDI, flexible and rigid-flex PCBs, etc.

Competitive Analysis of Global High Performance Server PCB Market

Chinese high performance server PCB manufacturers are accelerating their global expansion. From a regional perspective, manufacturers from Taiwan and the Chinese Mainland occupy the leading position in the global high performance server PCB. As the products of the Chinese Mainland's high performance server PCB manufacturers are recognized by overseas customers, their market share is expected to rise steadily. In recent years, the market concentration of the top five high performance server PCB companies in the world has continued to increase, from 28.9% in 2022 to 31.6% in 2024.

The top five companies in the global high performance server PCB market have a market share of 31.3%, among which Chinese companies occupy an absolute dominant position. According to the cumulative revenue of global high performance server PCB from 2022 to 2024, the Company ranks third in the world with cumulative revenue of US$882.4 million, the Company occupied a global market share of approximately 4.9%. Besides, according to the cumulative revenue of global high performance server PCB from 2022 to 2024, in the ranking of high performance server PCB companies headquartered in the Chinese Mainland, the Company ranks first. From 2022 to 2024, based on the cumulative revenue of global high performance server PCB, Company A ranks first in the world with cumulative revenue of US$2,034.8 million. From 2022 to 2024, based on the cumulative revenue of global high performance server PCB, Company B ranks second in the world with cumulative revenue of US$1,357.9 million.

Ranking and Market Share of High Performance Server PCB, Global, 2022-2024



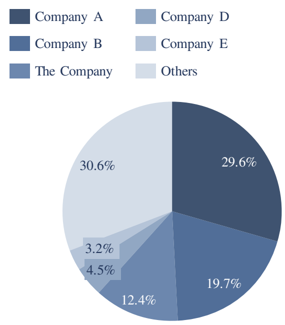
Rank	Company Name	Headquarter	Cumulative Revenue (US$ Million)	Market Share
1	Company A	Taiwan	2,034.8	11.2%
2	Company B	Taiwan	1,357.9	7.5%
3	**The Company**	**Chinese Mainland**	**882.4**	**4.9%**
4	Company C	Chinese Mainland	806.6	4.5%
5	Company D	Chinese Mainland	582.6	3.2%
	Others		12,425.7	68.7%
	Total		**18,090.0**	**100.0%**

Note:

The conversion of revenue into U.S. dollars is calculated based on the average annual exchange rate for each year.
Company A established in 1981 is a company listed on TWSE and headquartered in Taiwan, and manufactures and distributes printed circuit board for servers, workstations, telecommunication, computers, etc.
Source: Interviews with Industry Experts, Public Information, Frost & Sullivan

The top five companies in the global high performance server CPU motherboards (comprising CPU motherboards of AI and general-purpose servers) PCB market had a market share of 69.4% in 2022 to 2024, among which Chinese companies occupy an absolute dominant position. Compared with other high performance server PCBs, CPU motherboards PCB face relatively higher technical barriers, resulting in relatively higher market concentration. In terms of the global high performance server CPU motherboards PCB cumulative revenue in 2022 to 2024, the Company ranks third in the world with cumulative revenue of US$639.2 million, the Company occupied a global market share of approximately 12.4%. Besides, according to the cumulative revenue of global high performance server PCB from 2022 to 2024, in the ranking of high performance server PCB companies headquartered in the Chinese Mainland, the Company ranks first. In terms of the global high performance server CPU motherboards PCB cumulative revenue in 2022 to 2024, Company A ranks first in the world with cumulative revenue of US$1,522.4 million, with a market share of approximately 29.6%. According to the global high performance server CPU motherboard PCB cumulative revenue in 2022 to 2024, Company B ranks second in the world with cumulative revenue of US$1,011.6 million, with a market share of approximately 19.7%.

Ranking and Market Share of High Performance Server CPU Motherboard PCB, Global, 2022-2024



Rank	Company Name	Headquarter	Cumulative Revenue (US$ Million)	Market Share
1	Company A	Taiwan	1,522.4	29.6%
2	Company B	Taiwan	1,011.6	19.7%
3	**The Company**	**Chinese Mainland**	**639.2**	**12.4%**
4	Company D	Chinese Mainland	233.0	4.5%
5	Company E	Chinese Mainland	163.2	3.2%
	Others		1,575.9	30.6%
	Total		**5,145.4**	**100.0%**

Note:

The conversion of revenue into U.S. dollars is calculated based on the average annual exchange rate for each year.
Company E established in 2006 is a company listed on SZSE and headquartered in Guangdong, China, specializing in the R&D, production and sales of high-precision multilayer PCBs, HDI, FPC and Rigid-Flex PCBs.

Source: Interviews with Industry Experts, Public Information, Frost & Sullivan

ANALYSIS OF OTHER PCB MARKETS

Other PCB applications mainly cover industrial and consumer scenarios. Industrial application PCBs stress high reliability, heat resistance, and long life for harsh environments, while consumer application PCBs focus on cost, lightness, and mass production, suiting short lifecycle products such as mobile phones.

Industrial Application PCB Market

The industrial application PCB market includes wired and wireless infrastructure, automotive electronics, industrial control systems, medical equipment, and aerospace domains. Globally, from 2020 to 2024, the industrial application PCB market by sales revenue grew from US$18.9 billion in 2020 to US$25.9 billion in 2024, reflecting a CAGR of 8.1%. It is projected to reach US$30.8 billion by 2029, with a CAGR of 3.5% from 2024 to 2029.

Automotive Electronics PCB Market

As a key application in the industrial sector, automotive electronics has seen a consistent rise in PCB demand in recent years. With the advancement of electrification, intelligence, and connectivity, PCBs are being increasingly applied in automobiles across areas such as power systems, intelligent driving, and in-vehicle infotainment. Regionally, the EV market in China has experienced significant growth, increasing from 1.3 million units in 2020 to 13.0 million units in 2024, with a CAGR of 76.3%. The projected market size for China is expected to grow to 29.8 million units by 2029. The EV market in North America has shown substantial growth, increasing from 0.4 million units in 2020 to 1.7 million units in 2024, corresponding to a CAGR of 48.8% from 2020 to 2024. The market size for North America is expected to continue growing, reaching 5.1 million units by 2029. Similarly, the European EV market has witnessed significant growth with the market size increasing from 1.3 million units in 2020 to 2.9 million units in 2024, reflecting a CAGR of 23.2% from 2020 to 2024. It is expected to grow to 8.4 thousand units by 2029. In Asia (excluding China), the EV market size has increased from 0.1 million units in 2020 to 0.5 million units in 2024, showing a CAGR of 67.2% from 2020 to 2024. It is expected to grow to 3.0 million units by 2029. In other regions, the EV market size has also shown growth, increasing from 0.2 million units in 2024 to 1.0 million units in 2029.

Communication PCB Market

In addition, communication is a critical domain for industrial application PCBs, with main applications in wired communication, wireless communication, and satellite communication. Driven by rapid advancements in global communication technologies, the communication PCB market is projected to expand. By sales revenue, the communication PCB market grew from US$7.3 billion in 2020 to US$9.5 billion in 2024, achieving a CAGR of 6.7%, and is expected to reach US$11.8 billion by 2029, with a CAGR of 4.5% from 2024 to 2029.

Consumer Application PCB Market

Consumer application PCB products primarily include AI personal computer, laptops, wearable devices, and smart home appliances. In AI PCs, PCBs are critical for enabling AI computing, multi-sensor integration, and thermal management. Through high-density designs, flexible interconnections, and multi-material integration, PCBs ensure system performance and stability. By sales revenue, the global consumer application PCB market grew from US$36.6 billion in 2020 to US$36.7 billion in 2024, and is projected to reach US$41.9 billion by 2029, reflecting a CAGR of 2.7% from 2024 to 2029.

THE PRC LAWS, REGULATIONS AND POLICIES

This section sets out summaries of certain aspects of PRC laws, regulations and policies, which are relevant to business operations of our Company.

LAWS AND REGULATIONS ON CORPORATION

According to The PRC Company Law (《中華人民共和國公司法》) (the "**Company Law**"), which was promulgated by the Standing Committee of the National People's Congress (the "**SCNPC**") on December 29, 1993 and implemented on July 1, 1994, and latest revised on December 29, 2023, which came into effect on July 1, 2024, companies are generally classified into two categories, namely, limited liability companies and joint stock limited companies. The Company Law also applies to foreign-invested enterprises, unless where laws on foreign investment have other stipulations, such stipulations shall prevail.

LAWS, REGULATIONS AND POLICIES RELATING TO THE PRINTED CIRCUIT BOARD

From 2009 to 2021, the State Council has issued a series of regulations aimed at promoting the development of the printed circuit board, which includes the Adjustment and Revitalization Plan for the Electronics and Information Industry (《電子信息產業調整和振興規劃》), the Notice of the State Council on the "13th Five-Year Plan" for the Development of National Strategic Emerging Industries (《國務院關於印發「十三五」國家戰略性新興產業發展規劃的通知》), the Notice of the State Council on the "14th Five-Year Plan" for the Development of Digital Economy (《國務院關於印發「十四五」數字經濟發展規劃的通知》). On February 27, 2023, The Communist Party of China Central Committee and the State Council have issued the Overall Layout Plan for the Construction of Digital China (《數字中國建設整體佈局規劃》).

From 2012 to 2021, the Ministry of Industry and Information Technology (the "**MIIT**") has promulgated a series of regulations, which includes the "12th Five-Year Plan" for Electronic Basic Materials and Key Components (《電子基礎材料和關鍵元器件「十二五」規劃》), the Notice of the Ministry of Industry and Information Technology on Promoting the Accelerated Development of 5G (《工業和信息化部關於推動5G加快發展的通知》), the Notice of the Ministry of Industry and Information Technology on Action Plan for the Development of Basic Electronic Components Industry (2021–2023) (《工業和信息化部關於印發基礎電子元器件產業發展行動計劃(2021–2023年)的通知》), the Notice of the Ministry of Industry and Information Technology on the Development Plan for the Information and Communication Industry During the 14th Five-Year Plan Period (《工業和信息化部關於印發「十四五」信息通信行業發展規劃的通知》).

On December 28, 2018, the MIIT promulgated Normative Conditions for the Printed Circuit Board Industry (《印製電路板行業規範條件》) and Interim Measures for the Administration of Announcement of Normative Conditions for the Printed Circuit Board Industry (《印製電路板行業規範公告管理暫行辦法》), and became effective on February 1, 2019.

On September 9, 2016, the National Development and Reform Commission (the "**NDRC**"), the Ministry of Finance (the "**MOF**"), the Ministry of Commerce (the "**MOFCOM**") jointly promulgated the Notice of the Catalogue of Encouraged Imported Technologies and Products (2016 version) (《關於印發鼓勵進口技術和產品目錄(2016年版)的通知》). On January 25, 2017, the NDRC promulgated Strategic Emerging Industries Key Products and Services Guidance Catalog (2016 version) (《戰略性新興產業重點產品和服務指導目錄(2016版)》), and became effective on the same day. On December 27, 2023, the NDRC promulgated the Adjustment of Industrial Structure Guidance Catalog (2024 version) (《產業結構調整指導目錄(2024年本)》), and became effective on February 1, 2024.

LAWS AND REGULATIONS RELATING TO FOREIGN INVESTMENT

The Foreign Investment Law (《中華人民共和國外商投資法》), which was promulgated by the NPC on March 15, 2019 and implemented on January 1, 2020, establishes the management system for pre-access national treatment and negative list for foreign investment in the PRC. The PRC gives national treatment to foreign investment outside the negative list.

On September 6, 2024, The Special Administrative Measures (Negative List) for Foreign Investment Access (2024 version) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the "**2024 Negative List**") is issued jointly by the NDRC and the MOFCOM to replace the previous encouraging catalog and negative list thereunder. Pursuant to the Foreign Investment Law, the Implementation Regulations and the 2024 Negative List, foreign investors shall not make investments in prohibited industries as specified in the negative list, while foreign investments must satisfy certain conditions stipulated in the negative list for investment in restricted industries. Industries not listed in the negative list are generally deemed "permitted" for foreign investments.

REGULATIONS IN RELATION TO OVERSEAS INVESTMENT

On September 6, 2014, The Measures for the Administration of Overseas Investments (《境外投資管理辦法》) were issued by the MOFCOM and implemented on October 6, 2014. The Measures for the Administration of Enterprises' Overseas Investments (《企業境外投資管理辦法》) were issued by the NDRC on December 26, 2017, and implemented on March 1, 2018. The NDRC promulgated the Catalogue of Sensitive Industries for Outbound Investment (Edition 2018) (《境外投資敏感行業目錄(2018年版)》), effective on March 1, 2018 to list the current sensitive industries in detail.

According to these regulations, the scope of approval management includes sensitive projects undertaken directly or through their controlled overseas enterprises of the investing entities. Enterprises' overseas investments involving sensitive countries and regions or sensitive industries, are subject to approval management by the NDRC. Other overseas investments by enterprises are subject to filing management. The MOFCOM and the commerce departments at provincial levels are responsible for the administration and supervision of overseas investments through the "Overseas Investment Management System" and issue the Certificate of Overseas Investment by Enterprises to enterprises that have obtained filing or approval.

On February 13, 2015, the State Administration of Foreign Exchange (the "**SAFE**") issued the Notice of the State Administration of Foreign Exchange on Further Simplifying and Improving the Policies of Foreign Exchange Administration Applicable to Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》), abolishing the verification and approval of foreign exchange registration of overseas direct investment. The banks shall directly examine and handle foreign exchange registration of overseas direct investment.

LAWS AND REGULATIONS ON ENVIRONMENTAL PROTECTION AND FIRE SAFETY

Regulations on Environmental Protection

The PRC laws and regulations relating to environmental protection mainly include: the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》) (the "**Environmental Protection Law**") (revised on April 24, 2014 and implemented on January 1, 2015), Water Pollution Prevention and Control Law of the PRC (《中華人民共和國水污染防

治法》) (revised on June 27, 2017 and implemented on January 1, 2018), Atmospheric Pollution Prevention and Control Law of the PRC (《中華人民共和國大氣污染防治法》) (revised and implemented on October 26, 2018), Law of the PRC on Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢物污染環境防治法》) (revised on April 29, 2020 and implemented on September 1, 2020), Environmental Protection Tax Law of the PRC (《中華人民共和國環境保護稅法》) (revised and implemented on October 26, 2018), Implementation Regulation on the Environmental Protection Tax Law of the PRC (《中華人民共和國環境保護稅法實施條例》) (revised on December 25, 2017 and implemented on January 1, 2018), Measures for Pollutant Discharge Permitting Administration (《排污許可管理辦法》) (revised on December 25, 2023 and implemented on July 1, 2024), and Law of the PRC on Noise Pollution Prevention and Control (《中華人民共和國噪聲污染防治法》) which became effective on June 5, 2022.

Pursuant to the aforesaid laws and regulations, enterprises that discharge and dispose of toxic and dangerous substances such as wastewater and waste gas shall comply with the national and local standards of usage and shall declare to and register with the relevant environmental protection administration authorities and pay environmental protection tax according to law where applicable.

Regulations on Fire Safety

According to the Fire Prevention Law of the PRC (《中華人民共和國消防法》), which was promulgated on April 29, 1998 and last amended on April 29, 2021, the construction entities shall apply to the administrative authority of housing and urban-rural construction for fire protection acceptance check upon completion of the construction projects that are subject to fire protection acceptance check as stipulated by the administrative authority of housing and urban-rural construction of the State Council. For other construction projects, the construction entities shall file with the administrative authority of housing and urban-rural construction after the acceptance, and the administrative authority of housing and urban-rural construction shall conduct random inspection.

LAWS AND REGULATIONS RELATING TO CYBERSECURITY AND DATA SECURITY

On July 1, 2015, the SCNPC promulgated the State Security Law of the PRC (《中華人民共和國國家安全法》), which became effective on the same day, pursuant to which the state shall establish a national security review and supervision system to review, among other things, foreign investment, key technologies, internet and information technology products and services, projects relating to national security matters and other important activities that are likely to impact national security of China.

On November 7, 2016, the SCNPC promulgated the Cybersecurity Law of the PRC (《中華人民共和國網絡安全法》) (the "**Cybersecurity Law**"), which became effective on June 1, 2017, and was last amended and became effective on January 1, 2026. According to the Cybersecurity Law, network operators must comply with applicable laws and regulations and fulfill their obligations to safeguard cybersecurity in conducting business and providing services. The SCNPC promulgated the Data Security Law of the PRC (《中華人民共和國數據安全法》) on June 10, 2021, which became effective on September 1, 2021, for the establishment of a data classification and hierarchical protection system to conduct classified and hierarchical protection of data. On December 28, 2021, the Cyberspace Administration of China (the "**CAC**") and certain other PRC regulatory authorities published the Cybersecurity Review Measures (《網絡安全審查辦法》), which became effective on February 15, 2022. Pursuant to the measures, critical information infrastructure operators that purchase network products and services and network platform operators engaging in data processing activities that affect or may affect national security must be subject to the Cybersecurity Review.

The Regulations on the Administration of Cyber Data Security (《網絡數據安全管理條例》) (the "**Cyber Data Security Regulations**") promulgated by the State Council on September 24, 2024, which became effective on January 1, 2025, stipulate that where network data handlers carry out network data processing activities that affect or may affect national security, they shall undergo a national security review in accordance with relevant national regulations. The Cyber Data Security Regulations optimize regulations for cross-border data security management, specifying conditions under which network data processors may provide personal information abroad in accordance with international treaties or agreements.

The Personal Information Protection Law of the PRC (《中華人民共和國個人信息保護法》) (the "**PIPL**") was promulgated by the SCNPC on August 20, 2021 and became effective on November 1, 2021. The PIPL stipulates the scope of personal information and the ways of processing personal information, establishes rules for processing personal information and for providing personal information to overseas recipients, and clarifies the individual's rights and the processor's obligations in the process of personal information processing. The CAC promulgated the Security Assessment Measures for Data Provision Abroad (《數據出境安全評估辦法》) (the "**Security Assessment Measures**"), which came into effect on September 1, 2022. The Security Assessment Measures specifies the circumstances where a cross-border data transfer is subject to security assessment.

LAWS AND REGULATIONS RELATING TO INTELLECTUAL PROPERTY

Patent

According to the Patent Law of the PRC (《中華人民共和國專利法》) (the "**Patent Law**"), promulgated by the NPCSC on March 12, 1984 and amended on September 4, 1992, August 25, 2000, December 27, 2008, and October 17, 2020, respectively, with the latest amendment taking effect on June 1, 2021, and the Implementation Rules of the Patent Law of the PRC (《中華人民共和國專利法實施細則》) (the "**Implementation Rules of the Patent Law**"), promulgated by the State Council on January 19, 1985, and amended on December 21, 1992, June 15, 2001, December 28, 2002, January 9, 2010, and December 11, 2023, respectively, with the latest amendment taking effect on January 20, 2024, the patent administrative department under the State Council is responsible for the administration of patent-related work nationwide and the patent administration departments of provincial or autonomous regions or municipal governments are responsible for administering patents within the respective administrative areas. The Patent Law and Implementation Rules of the Patent Law provide three types of patents, namely "inventions," "utility models" and "designs." Invention patents are valid for twenty years, utility model patents are valid for ten years, and since June 1, 2021, the validation period for design patents whose application date is after June 1, 2021 has been extended to fifteen years in each case from the date of application.

Trademark

Pursuant to the Trademark Law of the PRC (《中華人民共和國商標法》) promulgated by the SCNPC on August 23, 1982 and latest amended on April 23, 2019 and came into effect on November 1, 2019, and the Implementation Rules of the Trademark Law of the PRC (《中華人民共和國商標法實施條例》) promulgated by the State Council on August 3, 2002 and latest amended on April 29, 2014 and came into effect on May 1, 2014, trademarks approved and registered by the Trademark Bureau are registered trademarks, including commodity trademarks, service marks and collective trademarks, certification marks; trademark registrants enjoy exclusive rights to use trademark and are protected by the law. The Trademark Bureau is responsible for trademark registration and administration nationwide and grants a term of 10 years to registered trademarks, commencing from the date of registration.

Copyright

Pursuant to the Copyright Law of the PRC (《中華人民共和國著作權法》) promulgated by the SCNPC, which was latest amended on November 11, 2020, and the Implementation Regulations of the Copyright Law of the PRC (《中華人民共和國著作權法實施條例》) promulgated by the State Council, which was latest amended on January 30, 2013, Chinese citizens, legal persons or organizations without legal personality enjoy copyright over their works, whether published or not. Pursuant to the Regulations on the Protection of Computer Software (《計算機軟件保護條例》) promulgated by the State Council on June 4, 1991, and amended on December 20, 2001, January 30, 2013 and became effective on March 1, 2013, and the Measures for the Registration of Computer Software Copyright (《計算機軟件著作權登記辦法》) promulgated by the National Copyright Administration on February 20, 2002, "computer software" (the "**software**") refers to computer programs and related files.

Domain Name

Pursuant to the Administrative Measures for Internet Domain Names (《互聯網域名管理辦法》), promulgated on August 24, 2017 and came into effect on November 1, 2017, the principle of "first to file" is adopted for domain name registration services. The applicant for domain name registration shall provide the agency of domain name registration with true, accurate and complete information about the domain name holder's identity for registration purpose and enter registration agreements with domain name registration service providers.

LAWS AND REGULATIONS ON REAL ESTATE, PLANNING AND CONSTRUCTION

Real Estate

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

The Land Administration Law of the People's Republic of China (《中華人民共和國土地管理法》) (the "**Land Administration Law**") was first issued by the SCNPC on June 25, 1986, most recently revised and issued on August 26, 2019, and implemented on January 1, 2020. Pursuant to the Land Administration Law, construction entities that have obtained state-owned land use rights through paid leasing must pay the land use right leasing fees and other fees and expenses in accordance with the standards and methods prescribed by the State Council before they can use the land.

According to the Interim Regulations on Real Estate Registration (《不動產登記暫行條例》), promulgated on November 24, 2014 and last amended on March 10, 2024 and brought into effect on May 1, 2024, the real estate registration shall be conducted by the real estate registration authorities of the people's government at or above the county level. The Interim Regulations on Real Estate Registration and the Implementing Rules of the Interim Regulations on Real Estate Registration (《不動產登記暫行條例實施細則》) promulgated on January 1, 2016 and last amended on May 9, 2024 and brought into effect on May 9, 2024 provide that the State implements a uniform real estate registration system and the registration of real estate shall be strictly administered and carried out in a stable and continuous manner that provides convenience for people.

The Interim Regulations on the Granting and Assignment of Urban State-Owned Land Use Rights of the People's Republic of China (《中華人民共和國城鎮國有土地使用權出讓和轉讓暫行條例》) were first issued by the State Council on May 19, 1990, and most recently revised and implemented on November 29, 2020. According to these regulations, the assignment of land use rights refers to the act of the state, in its capacity as the landowner, assigns the land use right for a certain period to land users, who in turn pay fees for the assignment thereof to the state. An assignment contract must be signed for assigning the land use rights. Land users shall develop, utilize and manage the land in accordance with the provisions of the contract for the assignment of land use right and the requirements of urban planning.

Planning

According to the Urban and Rural Planning Law of the PRC (《中華人民共和國城鄉規劃法》) promulgated by the SCNPC on October 28, 2007, latest amended and became effective on April 23, 2019, if the construction of buildings, structures, roads, pipelines and other projects is carried out in the planned area of a city or a town, the construction entity or individual shall apply to the competent authority of urban and rural planning of the people's government of the city or county or the people's government of the town as determined by the people's government of the province, autonomous region or municipality directly under the Central Government for a construction project planning permit.

Construction

According to the Construction Law of the PRC (《中華人民共和國建築法》) promulgated by the SCNPC on November 1, 1997, latest amended and became effective on April 23, 2019, prior to the commencement of construction work, the construction entity shall apply to the competent construction administrative authority of the people's government at or above the county level where the project is located for a construction permit in accordance with the relevant provisions of the State, except for small-scale projects under the quota as determined by the construction administrative authority under the State Council. A construction project shall be delivered for use only after it has passed the acceptance examination. A construction project shall not be delivered for use without conducting or passing the acceptance examination.

According to the Regulations on the Administration of Construction Quality (《建設工程質量管理條例》) promulgated and implemented by the State Council on January 30, 2000 and amended on April 23, 2019, a construction entity commencing the project without obtaining the construction work commencement permit or approvals for its construction commencement report, shall be ordered to terminate the construction work, carry out remedial actions within a prescribed time limit and pay a fine of no less than 1%, but not exceeding 2% of the contractual project price.

According to the Regulations on the Administration of Construction Quality (《建設工程質量管理條例》) and the Administrative Measures for Recording of the Inspection and Acceptance on Construction Completion of Buildings and Municipal Infrastructures (《房屋建築和市政基礎設施工程竣工驗收備案管理辦法》) promulgated and implemented by the former Ministry of Construction on April 7, 2000 and amended on October 19, 2009, a construction project shall not be delivered for use unless it has passed the acceptance checks. The construction entity should file a record to a competent construction administrative department of the people's government at or above the county level of the place where the project is located within 15 days from the day when the construction project passes the acceptance checks.

If the construction entity fails to file a record of passing the acceptance checks in respect of the project within 15 days from the day when the construction project passes such checks, it shall be ordered by the archiving organ to carry out remedial actions within a prescribed time limit and pay a fine of no less than RMB200,000 but not exceeding RMB500,000.

LAWS AND REGULATIONS ON PROPERTY LEASING

According to the Civil Code, a lease contract is a contract whereby the lessor delivers to the lessee the item for the latter's use or benefit therefrom, and the lessee pays the lease expense. If the parties to a lease contract fail to go through the formalities of registration of such contract in accordance with the provisions of laws and administrative regulations, the validity of the contract shall not be affected.

Pursuant to the Law on Administration of Urban Real Estate of the PRC (《中華人民共和國城市房地產管理法》) promulgated by the SCNPC on July 5, 1994, latest amended on August 26, 2019, and became effective on January 1, 2020, the lessor and the lessee shall enter into a written lease contract for leasing of building to stipulate the term of lease, purpose of the lease, lease price, maintenance and repair liability etc., and any other rights and obligations of both parties; the lease contract shall be registered and filed with the real estate administration authorities.

On December 1, 2010, the Ministry of Housing and Urban-Rural Development promulgated the Administrative Measures on Leasing of Commodity Housing (《商品房屋租賃管理辦法》), which became effective on February 1, 2011. According to such measures, the lessor and the lessee are required to complete property leasing registration and filing formalities within 30 days from execution of the property lease contract with the development authorities or real estate authorities of the municipality or county where the leased property is located. If a company fails to do as aforesaid, it may be ordered to rectify within a stipulated period, and if such company fails to rectify, a fine ranging from RMB1,000 to RMB10,000 may be imposed.

REGULATIONS RELATING TO WORK SAFETY

Pursuant to the Work Safety Law of the PRC (《中華人民共和國安全生產法》) promulgated on June 29, 2002, last amended on June 10, 2021 with effect on September 1, 2021, the main responsible person of a production and operation entity, as the primary person responsible for the work safety of the entity, shall be fully responsible for the work safety of the entity. Any other person in charge shall be responsible for the work safety within the scope of his or her duties. Violation of the Production Safety Law may result in imposition of fines and penalties, suspension of operation, an order to cease operation, or even criminal liability in severe cases.

REGULATIONS RELATING TO FOREIGN EXCHANGE

According to the Foreign Exchange Administration Regulations of the PRC (《中華人民共和國外匯管理條例》) promulgated on January 29, 1996 and amended on January 14, 1997 and August 5, 2008, the RMB is generally freely convertible for current account items, including the distribution of dividends, trade and service related foreign exchange transactions, but not for capital account items, such as direct investment, loan, repatriation of investment and investment in securities outside the PRC, unless the prior approval of the SAFE or its designated banks is obtained.

According to the Notice of the State Administration of Foreign Exchange on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement of Capital Accounts (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) promulgated on June 9, 2016, the settlement of foreign exchange receipts under the capital account (including but not limited to foreign exchange capital and external debts and funds recovered from overseas listing) may convert from foreign currency into RMB on a self-discretionary basis.

LAWS AND REGULATIONS ON PRODUCT QUALITY

According to the Product Quality Law of the PRC (《中華人民共和國產品質量法》) (the "**Product Quality Law**") promulgated by the SCNPC on February 22, 1993 and latest amended on December 29, 2018, producers and sellers shall establish a sound internal product quality control system, strictly adhere to a job responsibility system in relation to quality standards and quality liabilities, and implement corresponding examination and inspection measures. Any manufacturer or seller who violates the Product Quality Law may be subject to (i) administrative penalties, including suspension of production or sale, ordered correction of illegal activities, confiscation of products subject to illegal production or sale, imposition of fines, confiscation of illegal gains and, in severe cases, revocation of business license; and (ii) criminal liability if the illegal activity constitutes a crime.

LAWS AND REGULATIONS RELATING TO IMPORT AND EXPORT TRADE

Pursuant to the Foreign Trade Law of the PRC (《中華人民共和國對外貿易法》) promulgated by the SCNPC on May 12, 1994, and latest amended on December 30, 2022 and the Regulations on the PRC on the Administration of the Import and Export of Goods (《中華人民共和國貨物進出口管理條例》) issued by the State Council of the PRC on December 10, 2001, became effective on January 1, 2002, and last amended on March 10, 2024, the State Council of the PRC shall allow free importation and exportation of goods, and maintain fair and orderly import and export trade in goods except for the goods which are explicitly prohibited or restricted by laws or administrative regulations.

Pursuant to the Customs Duties Law of the PRC (《中華人民共和國關稅法》), issued by SCNPC on April 26, 2024 and took effect on December 1, 2024, consignors of exports are withholding obligors for customs duties. Export tariff is set at an export tariff rate. Provisional tariff rates may apply to exports within a certain period of time. According to the Administrative Measures of the Customs of the PRC for the Levying of Duties on Imports and Exports (《中華人民共和國海關進出口貨物徵稅管理辦法》) which was promulgated by the General Administration of Customs on October 28, 2024, and came into effect on December 1, 2024, tariff rates applicable to exported goods shall be determined in accordance with the provisions of the Tariff Law governing the most-favored-nation tariff rate, conventional tariff rate, preferential tariff rate, general tariff rate, export tariff rate, tariff quota and tariff rate or provisional tariff rate.

Pursuant to the Export Control Law of the PRC (《中華人民共和國出口管制法》) issued by SCNPC on October 17, 2020, the State adopts a unified export control system, which is subject to administration through the formulation of a control list, directory or catalogue, the implementation of export permission, or otherwise. The State adopts a licensing system for the export of controlled items.

REGULATIONS ON EMPLOYMENT, SOCIAL INSURANCE AND HOUSING PROVIDENT FUND

Employment

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

The Labor Contract Law, which was promulgated on June 29, 2007, and last amended on December 28, 2012, primarily aims at regulating rights and obligations of employment relationships, including the establishment, performance, and termination of labor contracts. Pursuant to the Labor Contract Law, labor contracts must be executed in writing if labor relationships are to be or have been established between employers and employees.

The Interim Provisions on Labor Dispatch (《勞務派遣暫行規定》) promulgated by the Ministry of Human Resources and Social Security and came into effect on March 1, 2014, the number of dispatched workers hired by an employer may not exceed 10% of the total number of its employees. Where rectification is not made within the stipulated period, the employers may be subject to a penalty ranging from RMB5,000 to RMB10,000 per dispatched worker exceeding the 10% threshold.

Social Insurance

The PRC Social Insurance Law (《中華人民共和國社會保險法》) (the "**Social Insurance Law**") issued by the SCNPC on October 28, 2010 and latest amended on December 29, 2018, has established social insurance systems of basic pension insurance, basic medical insurance, work-related injury insurance, unemployment insurance and maternity insurance and has elaborated in detail the legal obligations and liabilities of employers who fail to comply with relevant laws and regulations on social insurance. According to the Social Insurance Law and the Provisional Regulations on Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》) promulgated by the State Council on January 22, 1999 and most recently amended on March 24, 2019 and effective from the same date, enterprises shall register social insurance with local social insurance and pay or withhold relevant social insurance for or on behalf of its employees. Any employer that fails to make social insurance contributions may be ordered to rectify the non-compliance and pay the required contributions within a prescribed time limit and be subject to a late fee. If the employer still fails to rectify the failure to make the relevant contributions within the prescribed time, it may be subject to a fine ranging from one to three times the amount overdue.

On July 31, 2025, the PRC Supreme People's Court promulgated the Supreme People's Court's Interpretation (II) on Several Issues Concerning the Application of Law in Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》), which took effect on September 1, 2025. Article 19(1) thereof stipulates that if an employer and an employee agree or the employee undertakes that social insurance contributions need not be paid, the People's Court shall deem such agreement or undertaking invalid. Furthermore, where an employer fails to pay social insurance contributions in accordance with the law, and the employee seeks to terminate the labor contract and claims economic compensation from the employer pursuant to Article 38(3) of the PRC Labor Contract Law, the People's Court shall support such claims in accordance with the law, which clarifies that employees are entitled to request termination of their labor contracts and receive corresponding economic compensation under the PRC Labor Contract Law if the employer fails to make social insurance contributions in accordance with the law.

Housing Provident Fund

In accordance with the Regulations on the Administration of Housing Provident Funds (《住房公積金管理條例》) promulgated by the State Council on April 3, 1999, and amended on March 24, 2002, and March 24, 2019, enterprises must register at the designated administrative centers and open bank accounts for depositing employees' housing provident funds. Employers and employees are also required to pay and deposit housing provident funds, with an amount no less than 5% of the monthly average salary of the employee in the preceding year in full and on time. In case of overdue payment or underpayment by employers, orders for payment within a specified period will be made by the housing fund management center. Where employers fail to make payment within such period, enforcement by the people's court will be applied.

In case of failure to register and open accounts for depositing employees' housing provident funds, the housing fund management center shall order employers to go through the formalities within a specified period, If employers fail to do such formalities within the prescribed time, a fine of not less than RMB10,000 nor more than RMB50,000 shall be imposed.

REGULATIONS IN RELATION TO TAX

Enterprise Income Tax

Under the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) (the "**EIT Law**"), which became effective on January 1, 2008 and was last amended on December 29, 2018, and the Regulations on the Implementation of EIT Law (《中華人民共和國企業所得稅法實施條例》) which was promulgated by the State Council on December 6, 2007, came into effect on January 1, 2008 and was last amended on December 6, 2024, enterprises are classified as resident enterprises and non-resident enterprises. Enterprises which are established in China in accordance with PRC laws or established pursuant to foreign laws with their "de facto management bodies" located in the PRC are deemed a "resident enterprise" and subject to an enterprise income tax rate of 25% on their global income.

Transfer Pricing

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

Based on the Announcement of the State Administration of Taxation on Matters Relating to the Improvement of Affiliated Declaration and Contemporaneous Document Management (《國家稅務總局關於完善關聯申報和同期資料管理有關事項的公告》) promulgated and became effective on June 29, 2016, enterprises which have related-party transactions shall prepare their contemporaneous documentation of related-party transactions (同期資料) per tax year and submit to the tax authority if required by the same.

Value-added Tax ("VAT")

According to the Value-Added Tax Law of the People's Republic of China (《中華人民共和國增值稅法》), which was promulgated on December 25, 2024 and became effective on January 1, 2026, together with the Detailed Rules for the Implementation of the Provisional Regulations of the PRC on Value-added Tax (《中華人民共和國增值稅暫行條例實施細則》), which was promulgated on December 25, 1993, came into effect on the same day and was amended on December 15, 2008 and October 28, 2011 with effect from November 1, 2011, entities and individuals (including individual businesses) engaged in sale of goods, services, intangible assets and immovables and importation of goods within the PRC are subject to the payment of value-added tax.

Pursuant to the Notice of the MOF and the SAT on Adjusting Value-Added Tax Rates (《財政部、稅務總局關於調整增值稅稅率的通知》) effective on May 1, 2018, a taxpayer who was previously subject to a 17% tax rate on VAT-taxable sales activities shall have the applicable tax rate adjusted to 16%. According to the Announcement on Relevant Policies for Deepening Value-Added Tax Reform (《關於深化增值稅改革有關政策的公告》), which came into effect on April 1, 2019, for VAT-taxable sales or imported goods of a VAT general taxpayer previously subject to VAT tax rate of 16%, the tax rate shall be adjusted to 13%.

Dividend Withholding Tax

Pursuant to the EIT Law and related implementation regulations, dividends declared to non-PRC resident investors who do not have an establishment or place of business in China, or who have such an establishment or place of business but whose relevant income has no actual connection with that establishment or place of business, are generally subject to a 10% income tax rate, as long as the dividends are derived from sources within China.

Pursuant to the Arrangement between the Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》) (the "**Double Taxation Avoidance Arrangement**") and other applicable laws of the People's Republic of China, if a Hong Kong resident enterprise is recognized by the competent tax authorities of the People's Republic of China as meeting the relevant conditions and requirements of the aforementioned Double Taxation Avoidance Arrangement and other applicable laws, the 10% withholding tax on dividends received by the Hong Kong resident enterprise from a resident enterprise of the People's Republic of China can be reduced to 5%. However, pursuant to the Notice of the State Administration of Taxation on Issues Concerning the Implementation of the Dividend Clause of Tax Treaties (《國家稅務總局關於執行稅收協定股息條款有關問題的通知》) issued by the SAT on February 20, 2009, if the relevant Chinese tax authorities determine, at their discretion, that the company enjoys the reduced income tax rate mainly due to its tax-driven structure or arrangement, the Chinese tax authorities may adjust the preferential tax treatment.

REGULATIONS IN RELATION TO BONDED ZONES

In accordance with the Measures of the People's Republic of China Customs for the Comprehensive Bonded Zones (《中華人民共和國海關綜合保稅區管理辦法》) promulgated by General Administration of Customs of the People's Republic of China on January 1, 2022, and amended on October 28, 2024, customs supervises and administers means of transport, goods and their packaging, containers, articles entering or leaving the comprehensive bonded zone, as well as enterprises within the zone in accordance with the Measures. Unless otherwise stipulated by laws and regulations, goods shipped from the comprehensive bonded zone to overseas are exempt from export tariffs. Goods moving between the comprehensive bonded zone and other special customs supervision areas such as comprehensive bonded zones or bonded supervision venues are subject to bonded treatment. No customs duties or import-related taxes shall be levied on goods transferred between the comprehensive bonded zone and other special customs supervision areas or bonded supervision venues. According to Several Opinions of the State Council on Promoting High Level Opening-up and High Quality Development of Comprehensive Bonded Zones (《國務院關於促進綜合保稅區高水平開放高質量發展的若干意見》) promulgated on January 12, 2019, some opinions are as below: (a) Strengthen enterprises' dominant role in the market. Efforts should be made to simplify customs business approval procedures, to support enterprises in comprehensive bonded zones in filing for record on their own, to reasonably customize the verification cycle, to independently report, and to make up tax payments independently. (b) Simplify entry and exit management. It is allowed to implement convenient management mode for goods and articles entering a comprehensive bonded zone from domestic areas that do not involve export tariffs, do not involve trade control certificates, do not require tax refunds, and are not included in customs statistics. (c) Facilitate the flow of goods. Efforts should be made to use intelligent supervision means, to innovate supervision mode, to simplify business processes, to carry out automatic data comparison and automatic release at customs or ports, to realize direct point-to-point circulation of bonded goods, to reduce operating costs, and to improve supervision efficiency. In accordance with the Announcement on Value-Added Tax and Consumption Tax Policies in Respect of Export Businesses (《關於出口業務增值稅和消費稅政策的公告》), goods declared to the customs and entering bonded port areas approved by the State, comprehensive bonded zones, the Zhuhai Park of the Zhuhai-Macao Cross-Border Industrial Zone, and bonded logistics centers (Type B) (hereinafter collectively referred to as the "**special zones**") and sold to entities within such special zones or to overseas entities or individuals shall be deemed as exports.

LAWS AND REGULATIONS RELATING TO OVERSEAS SECURITIES OFFERING AND LISTING BY DOMESTIC COMPANIES

Securities Laws and Regulations

The Securities Law of the RRC (《中華人民共和國證券法》) (the "**Securities Law**"), promulgated by the SCNPC on December 29, 1998, latest amended on December 28, 2019 and came into effect on March 1, 2020, comprehensively regulates activities in the Chinese Mainland securities market including issuance and trading of securities, takeovers by listed companies, securities exchanges, securities companies and the duties and responsibilities of securities regulatory authorities, etc. The CSRC is the securities regulatory body set up by the State Council to supervise and administer the securities market according to law, maintain order in the market, and ensure the market operates in a lawful manner. Currently, the issue and trading of H shares are principally governed by the regulations and rules promulgated by the State Council and the CSRC.

Overseas Listings

According to the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) and relevant guidelines promulgated by the CSRC on February 17, 2023 and effective on March 31, 2023 (the "**Trial Measures**"), a domestic company that seeks to offer and list securities in overseas markets shall fulfill the filing procedure with the CSRC as per requirement of the Trial Measures. Initial public offerings or listings in overseas markets shall be filed with the CSRC within 3 working days after the relevant application is submitted overseas.

According to Provisions on Strengthening Confidentiality and Archives Administration in Respect of Overseas Issuance and Listing of Securities by Domestic Companies (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (the "**Provisions on Strengthening Confidentiality and Archives Administration**") jointly issued by the CSRC and other relevant departments on February 24, 2023 and effective on March 31, 2023, in the course of overseas issuance and listing of domestic enterprises, domestic enterprises and securities companies and securities service agencies which provide the corresponding services shall strictly comply with the relevant laws and regulations of the PRC and the requirements of the Provisions on Strengthening Confidentiality and Archives Administration, strengthen legal awareness of confidentiality of State secrets and archives administration, establish a sound system for confidentiality and archives work, adopt the requisite measures to perform the responsibilities of confidentiality and archives administration, and shall not divulge State secrets and work secrets of State agencies or harm State and public interests.

THAILAND REGULATORY OVERVIEW

Below sets out a summary of certain aspects of laws and regulations of Thailand, which are relevant to the Group's Thai subsidiaries.

Laws and Regulations in relation to International Trade Matters

The importation of goods into Thailand is subject to compliance with Thai customs procedures, including goods declaration and the payment of customs duties. These processes are administered and overseen by the Thai Customs Department. The procedures may vary depending on the type of goods being imported. Certain categories of goods may require import licenses, while others may be classified as controlled goods, in which case additional regulatory oversight by other governmental agencies is required, pursuant to the relevant specific legislation.

Importation of Goods into Thailand

The importation of goods into Thailand is governed by customs procedures administered by the Thai Customs Department. Importers are required to comply with relevant regulations concerning goods declaration, customs valuation, and the payment of applicable duties and taxes. In addition, certain types of goods may be subject to licensing requirements or specific regulatory controls imposed by relevant governmental authorities, depending on the nature of the goods.

Tariffs

When goods are imported into Thailand, they are subject to several types of taxes and duties in accordance with Thai laws and regulations. These include (i) **Import Duty**, referring to a tariff levied on imported goods based on their classification under the Harmonized System (HS) tariff schedule; the applicable rates vary depending on the type of goods and can range from 0% to 80%; (ii) **VAT**, imposed at a standard rate of 7% on the total value of the imported goods; the taxable base includes the cost of the goods, insurance, freight (CIF value), and any applicable import duty or excise tax; (iii) **Excise Tax** (on specific goods only), applying to specific categories of products such as alcoholic beverages, tobacco, oil, perfumes, and motor vehicles; the rates are determined based on the product type and are regulated under Thailand's Excise Act; (iv) **Interior Tax (where applicable)**; in some cases, a local tax of 10% of the excise tax amount is also levied, particularly on excisable goods; this is collected in addition to the excise tax; and (v) **Customs Fees and Charges**, which may include fees for customs clearance and other administrative services; while typically modest in amount, they are part of the total cost of importing goods.

Import Structure in Thailand

The importation of goods into Thailand is subject to customs procedures under the supervision of the Thai Customs Department. Importers intending to bring goods into the country are required to register and operate via the electronic customs system (the "**e-Customs**") and must be either a licensed customs broker or utilize an authorized customs clearance agent. Goods Release Procedures, during which customs officials may inspect documents and, where deemed necessary, physically examine the imported goods prior to granting release from the customs bonded area. Certain categories of goods may be designated as "controlled goods" and require prior approval or licensing from competent regulatory bodies, such as the Food and Drug Administration, Department of Industrial Works, or Thai Industrial Standards Institute, depending on the nature of the goods.

Laws and Regulations in relation to Labor and Employment Matters

Employment in Thailand is primarily governed by the Labour Protection Act B.E. 2541 (1998) and the Labour Relations Act B.E. 2518 (1975), along with other supplementary regulations. Employment relationships are generally formalized through written contracts, although such contracts are not mandatory by law if the elements of employment, such as subordination, remuneration, and continuity are present.

Laws and Regulations in Relation to Intellectual Property Matters

In Thailand, the protection of intellectual property (IP) rights is governed by a series of specific statutes, depending on the type of IP involved. The primary regulatory authority is the Department of Intellectual Property (DIP), Ministry of Commerce, in coordination with other competent authorities depending on the nature of the rights. The legal framework encompasses patents, trademarks, copyrights, designs, trade secrets, and plant variety rights. Thailand maintains a comprehensive legal framework for the protection of intellectual property rights, encompassing patents, trademarks, copyrights, trade secrets, and other forms of IP. These laws align with international standards and aim to ensure the protection and promotion of innovation and creativity within the country.

Laws and Regulations in Relation to Data Protection and Privacy Matters

Data protection and privacy in Thailand are governed by the Personal Data Protection Act B.E. 2562 (2019) ("**PDPA**"), which came into full effect on June 1, 2022. The PDPA serves as the primary legal framework for regulating the collection, use, and disclosure of personal data by data controllers and data processors in both the public and private sectors. Non-compliance with the PDPA may lead to administrative, civil, and criminal penalties. Administrative fines may reach up to THB five million per violation, and certain violations may result in criminal sanctions, including imprisonment.

Laws and Regulations in Relation to Tax Matters

Thailand's tax system is primarily governed by the Revenue Code, which provides the legal basis for the imposition of taxes at the national level. The Thai tax structure is centralized and administered by the Revenue Department under the Ministry of Finance. The main types of taxes applicable to businesses include corporate income tax, VAT, specific business tax, stamp duty, and withholding tax: (i) corporate income tax is levied on both Thai and foreign companies operating in Thailand. Resident companies are taxed on their worldwide income, while non-resident companies are taxed only on income derived from sources within Thailand. Reductions or exemptions may be available under investment promotion schemes regulated by the BOI or through double taxation agreements (DTAs); (ii) VAT is a consumption tax imposed at each stage of the production and distribution process; the standard VAT rate is 7%, although certain goods and services may be exempt or zero-rated, such as exports or basic necessities; (iii) withholding tax is applicable to certain types of payments made to both resident and non-resident entities, including interest, dividends, royalties, and service fees; the applicable rates vary depending on the nature of the payment and may be reduced under applicable DTAs; (iv) specific business tax (SBT) applies to businesses engaged in specific activities not subject to VAT, such as banking, financial institutions, and real estate; the tax rate varies based on the business type; and (v) stamp duty is imposed on legal instruments such as contracts, leases, and certain financial transactions; the rates vary depending on the document type and transaction value.

Laws and Regulations in relation to Foreign Capital Matters

In Thailand, foreign investment is primarily governed by the Foreign Business Act B.E. 2542 (1999) ("**FBA**"), which outlines specific restrictions and conditions on foreign participation in various business sectors. Under the FBA, a foreigner — defined as a non-Thai individual or entity, or a Thai entity with foreign ownership exceeding 50% — is generally prohibited from engaging in certain restricted businesses unless a Foreign Business License (FBL) or other relevant exemption is granted, such as those under investment promotion schemes. Additionally, the Bank of Thailand ("**BOT**") and the Ministry of Finance regulate foreign exchange controls and capital flows through the Exchange Control Act B.E. 2485 (1942) and related ministerial notifications. Foreign capital brought into Thailand must be reported to authorized financial institutions, especially when involving remittances, loans, or capital injections. Proper documentation and remittance purpose codes are required for the repatriation of profits, dividends, loan repayments, and disinvestment.

Laws and Regulations in relation to Anti-Corruption Matters

Thailand has established a legal framework to address corruption, bribery, and related misconduct, primarily through the Organic Act on Anti-Corruption B.E. 2561 (2018). In addition, Thailand is a party to several international anti-corruption conventions, such as the United Nations Convention against Corruption. This commitment is reflected in the activities of the National Anti-Corruption Commission, which is empowered to investigate, adjudicate, and enforce anti-corruption regulations.

Laws and Regulations in Relation to Environmental Matters

Thailand has established a comprehensive legal framework for environmental protection through various statutes, sub-regulations, and administrative measures at both national and local levels. The primary legislation governing environmental matters is the Enhancement and Conservation of National Environmental Quality Act B.E. 2535 (1992), as amended, which sets out the responsibilities of government agencies and the private sector in the protection and management of the environment. In addition to the main act, other relevant legislation includes the Factory Act B.E. 2535 (1992), governing industrial operations and pollution control; Public Health Act B.E. 2535 (1992), dealing with waste and sanitary management; Hazardous Substances Act B.E. 2535 (1992), regulating hazardous materials and chemicals; Water Resources Act B.E. 2561 (2018), managing water quality and usage; and Wildlife Preservation and Protection Act B.E. 2562 (2019), protecting biodiversity and ecosystems. Legal liability in environmental matters may arise in three forms: (i) Administrative liability, such as fines, license suspension, or revocation; (ii) Civil liability, which includes compensation for damages caused to affected parties or the environment; and (iii) Criminal liability, which may be imposed on individuals or corporate officers for serious violations.

OVERVIEW

Our history began in June 2002, when our predecessor, Delton Technology (Guangzhou) Co., Ltd. (廣合科技(廣州)有限公司), was established in the PRC by DELTON HOLDINGS LIMITED (currently known as Broad Technology Inc., "**BTI**"). Subsequently, in May 2013, Mr. Xiao (an executive Director, the chairman of the Board, Ms. Liu's spouse and a member of our Controlling Shareholders Group), together with Ms. Liu (a non-executive Director, Mr. Xiao's spouse and a member of our Controlling Shareholders Group) acquired 92.50% equity interest in our predecessor at the relevant time. Leveraging his expertise and extensive industry experience, Mr. Xiao has led us in the research and development of PCBs. For details of the background of Mr. Xiao and Ms. Liu, see "Directors and Senior Management — Directors" in this Prospectus.

Over the years, our Group has evolved and committed to the development, manufacture and sales of customized PCBs for high performance servers and other computing applications, covering application scenarios including cloud computing and datacenters, telecommunications, automotive electronics, consumer electronics and other industries. According to Frost & Sullivan, we ranked (i) first among high performance server PCB manufacturers headquartered in the Chinese Mainland, and (ii) third among high performance server PCB manufacturers globally, in each case in terms of cumulative revenue from 2022 to 2024, representing a global market share of 4.9%.

In June 2020, our Company was converted into a joint stock limited company from a limited liability company. In April 2024, our A Shares were listed on the main board of the Shenzhen Stock Exchange (stock code: 001389).

BUSINESS MILESTONES

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

Year	Event
2002	Our predecessor was established in the PRC by BTI, a subsidiary of First International Computer Inc. (an automative design solution provider and system integrator founded in Taiwan and a company listed on the Taiwan Stock Exchange (stock code: 3701)).
2013	Mr. Xiao and Ms. Liu acquired 92.50% equity interest in our predecessor.
2015	We were recognized as one of "China's Top 100 Electronic Circuit Companies" (中國電子電路行業百強) by China Printed Circuit Association.
2020	We were converted into a joint stock limited company.

Year	Event
2022	Our CPU motherboards were selected among the seventh batch of "National Manufacturing Single Champion Products (製造業單項冠軍產品)" in 2022, organized jointly by the Ministry of Industry and Information Technology ("**MIIT**") (國家工業和信息化部辦公廳) and the China Federation of Industrial Economics (中國工業經濟聯合會).
2023	We further expanded our international business and outreach through the launch of our "multi-layer high-density PCB project" (多高層精密線路板項目) by Thailand Delton (our wholly-owned subsidiary), which comprised establishment of large-scale production facilities and local business cooperation initiatives in Thailand.
	We were awarded the "Guangdong Science and Technology Progress Award" (廣東省科技進步獎) by the Department of Science and Technology of Guangdong Province.
2024	We were listed on the main board of the Shenzhen Stock Exchange (stock code: 001389).
	We were recognized as one of the "2024 National Green Factories" (2024年度國家級綠色工廠) by the MIIT and one of the "2024 Service-Oriented Manufacturing Demonstration Projects of Guangdong Province" (2024年廣東省服務型製造示範公告名單) by the Department of Industry and Information Technology of Guangdong Province.

OUR SUBSIDIARIES

The following sets out the principal business activities, place of establishment and date of establishment and commencement of business of our subsidiaries, all of which are wholly-owned subsidiaries of our Company:

Name of subsidiary	Place of establishment/ incorporation	Date of establishment/ incorporation	Principal business activities
Delton International	Hong Kong	January 3, 2019	Sales of PCBs
Huangshi Delton	PRC	September 9, 2019	Research, development, manufacture and sales of PCBs
Dongguan Delton	PRC	January 28, 2021	Manufacture and processing of PCB accessories
Delton Investment	BVI	April 4, 2023	Investment holding
Thailand Delton	Thailand	May 19, 2023	Manufacture and sales of PCBs
Delton Technology Inc . .	U.S.	April 1, 2025	Research, development and distribution of PCBs

For details of changes in the registered capital of our subsidiaries, see "Statutory and General Information — A. Further Information about Our Group — 3. Changes in the Share Capital of Our Subsidiaries" as set out in Appendix VI to this Prospectus.

MAJOR SHAREHOLDING CHANGES OF OUR COMPANY

1. Establishment and Early Development

In June 2002, our predecessor, Delton Technology (Guangzhou) Co., Ltd. (廣合科技(廣州)有限公司), was established under the laws of the PRC as a limited liability company by BTI, the sole shareholder thereof at the relevant time, with an initial registered share capital of USD11.6 million. Our total registered share capital was further increased to USD27.6 million following the completion of a capital injection by BTI in October 2003.

2. Acquisition of Equity Interest by Our Controlling Shareholders in 2013

In May 2013, Mr. Xiao and Ms. Liu acquired 92.50% equity interest in our predecessor from BTI. Immediately upon completion of the above equity transfer, our predecessor was held as to 92.5% by Dongguan Guanghua Industrial Investment Co., Ltd. (東莞市廣華實業投資有限公司, "**Guanghua Investment**") and 7.5% by BTI.

3. Equity Transfers and Establishment of Employee Incentive Platforms in 2016

In December 2016, for the purposes of internal shareholding restructuring and establishment of employee incentive platforms, Guanghua Investment transferred its entire 92.50% equity interest in our predecessor to the following parties, comprising: (i) 57.50% equity interest to Zhenyun Investment; (ii) 10.00% equity interest to Guangsheng Investment; (iii) 10.00% equity interest to Guangcai Investment; and (iv) 15.00% equity interest to Guangxie Investment, respectively. Each of Guangsheng Investment, Guangcai Investment and Guangxie Investment is an employee incentive platform of our Company established in November 2016.

4. Equity Transfers and Capital Injections between 2016 and 2020

Upon the completion of several rounds of equity transfers and capital injections between 2016 and 2020, our total issued share capital was further increased to RMB276,380,947 in April 2020, and our shareholding structure was as follows:

Shareholder	Number of Shares	Shareholding Percentage
Zhenyun Investment	135,144,640	48.90%
Guangxie Investment	34,152,077	12.36%
Guangsheng Investment	22,768,052	8.24%
Guangcai Investment	22,768,052	8.24%
Other Shareholders[(1)]	61,548,126	22.26%
Total	**276,380,947**	**100.00%**

Note:

(1) Such 61,548,126 Shares were held by 11 Shareholders, among which, save for Xinyu Senze Mergers and Acquisitions Investment Management Partnership (Limited Partnership) (新餘森澤併購投資管理合夥企業(有限合夥)) which held approximately 6.90% equity interest in our predecessor, each of the remaining 10 Shareholders held less than 5% equity interest in our predecessor. To the best knowledge of our Directors, each of such 11 Shareholders was an Independent Third Party.

5. Conversion into Joint Stock Limited Company

On June 22, 2020, we were converted from a limited liability company to a joint stock limited company (the "**Conversion**") and renamed as Delton Technology (Guangzhou) Inc. (廣州廣合科技股份有限公司). Immediately upon completion of the Conversion, our Company had a total issued share capital of RMB350,000,000 with a nominal value of RMB1 per Share.

Subsequent to the Conversion and upon completion of an equity transfer and a capital injection between 2020 and 2021, our total issued share capital was further increased to RMB380,000,000, comprising a total of 380,000,000 Shares, in July 2021.

6. Listing on the Shenzhen Stock Exchange

On April 2, 2024, our A Shares were listed on main board of the Shenzhen Stock Exchange (the "**A Share Listing**"). In connection with the A Share Listing, we issued an aggregate of 42,300,000 A Shares (representing approximately 10.02% of our total issued share capital immediately following the completion of the A Share Listing) and raised net proceeds of approximately RMB653.46 million. Our shareholding structure immediately following the completion of the A Share Listing was as follows:

Shareholder	Number of A Shares	Shareholding Percentage
Zhenyun Investment	171,142,853	40.53%
Guangxie Investment	43,249,099	10.24%
Guangsheng Investment	28,832,734	6.83%
Guangcai Investment	28,832,734	6.83%
Other A Shareholders	150,242,580	35.57%
Total	**422,300,000**	**100.00%**

In connection with our A Share Listing, (i) the 171,142,853 A Shares held by Zhenyun Investment, (ii) the 43,249,099 A Shares held by Guangxie Investment, (iii) the 28,832,734 A Shares held by Guangsheng Investment and (iv) the 28,832,734 A Shares held by Guangcai Investment are subject to a lock-up period of 36 months since the listing date of our A Shares (i.e. up until April 1, 2027). Save as disclosed above, no other A Shares of our Company were subject to any lock-up arrangements in connection with our A Share Listing as of the Latest Practicable Date.

For details of the changes to the share capital of our Company after the A Share Listing and up to the Latest Practicable Date, see "Statutory and General Information — A. Further Information about Our Group — 2. Changes in the Share Capital of Our Company" as set out in Appendix VI to this Prospectus.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

Throughout the Track Record Period and as of the Latest Practicable Date, we had not conducted any major acquisitions, disposals or mergers.

OUR A SHARE LISTING AND REASONS FOR THE H SHARE LISTING

Since April 2024, our A Shares have been listed on the Shenzhen Stock Exchange. Our Directors confirm that, since our A Share Listing and up to the Latest Practicable Date, there had been no instance of any material non-compliance with the applicable rules of the Shenzhen Stock Exchange and other applicable PRC securities laws and regulations. To the best knowledge of our Directors, there are no material matters in relation to our compliance record on the Shenzhen Stock Exchange that should be brought to the attention of the Stock Exchange or potential investors of the Global Offering. Our PRC Legal Advisor is of the view that, since our A Share Listing and up to the Latest Practicable Date, there had been no instance of any material non-compliance with the applicable rules of the Shenzhen Stock Exchange and other applicable PRC securities laws and regulations.

Based on the independent due diligence conducted by the Joint Sponsors and our PRC Legal Advisor's view as disclosed above, no material matter has come to the Joint Sponsors' attention that would cause them to disagree with our Directors' confirmation with regard to the compliance record of our Company on the Shenzhen Stock Exchange.

We seek to list our H Shares on the Stock Exchange to establish an international capital operation platform, advance our brand awareness on global scale, reinforce our industry standing and enhance our competitiveness to support sustainable development and governance. For details, see "Business — Our Strategies" and "Future Plans and Use of Proceeds" in this Prospectus.

PREVIOUS STAR LISTING APPLICATION

We had previously considered the possibility of seeking an initial public offering on the Science and Technology Innovation Board of Shanghai Stock Exchange ("**STAR**") and had applied for listing of our Shares on STAR (the "**STAR Application**") in December 2020. We voluntarily withdrew the STAR Application in March 2021 and opted for application for listing of our Shares on the main board of the Shenzhen Stock Exchange, having regard to our business development strategy and availability of capital raising platform, in November 2021. We completed our A Share Listing in April 2024.

Our Company received major comments from the Shanghai Stock Exchange in January 2021 regarding its STAR Application (with respect to the track record period of the three years ended December 31, 2019 and the six months ended June 30, 2020, the "**STAR Application Track Record Period**") with regards to our Group's business operations (including core technologies, product production processes and factors underpinning business growth) and our Group's financial information (including revenue recognition, analysis and explanation of revenue trends and cost structures). Our Company has also received other comments from the Shanghai Stock Exchange regarding requests to disclose or provide further details on, among others, historical shareholding changes of our Company, our controlling shareholders, establishment of our PRC subsidiary and certain historical business cooperation and asset acquisition terminated or completed during the STAR Application Track Record Period. Our Company decided to voluntarily withdraw the STAR Application in early 2021 having regard to our business development strategy and availability of capital raising platform and therefore did not submit any written response to the Shanghai Stock Exchange in respect of such comments.

Similar comments were raised by the Shenzhen Stock Exchange and the CSRC during our Company's subsequent application for A Share Listing (with respect to the track record period of the three years ended December 31, 2022 and the six months ended June 30, 2023, the "**A Share Listing Track Record Period**"). The Shenzhen Stock Exchange and the CSRC primarily sought clarification as to whether the issues pertaining to such comments had been sufficiently addressed and whether they were still applicable to the A Share Listing Track Record Period. In this regard, our Company has provided thorough responses and explanation by demonstrating that the issues pertaining to such comments had been resolved in all material respects and/or did not have any material adverse impact on our business during the A Share Listing Track Record Period, while the remaining comments regarding the STAR application (not otherwise raised during the application for the A Share Listing) either concerned related-party financing transactions which occurred outside of the A Share Track Record Period or were addressed through relevant disclosure in the prospectus for the A Share Listing.

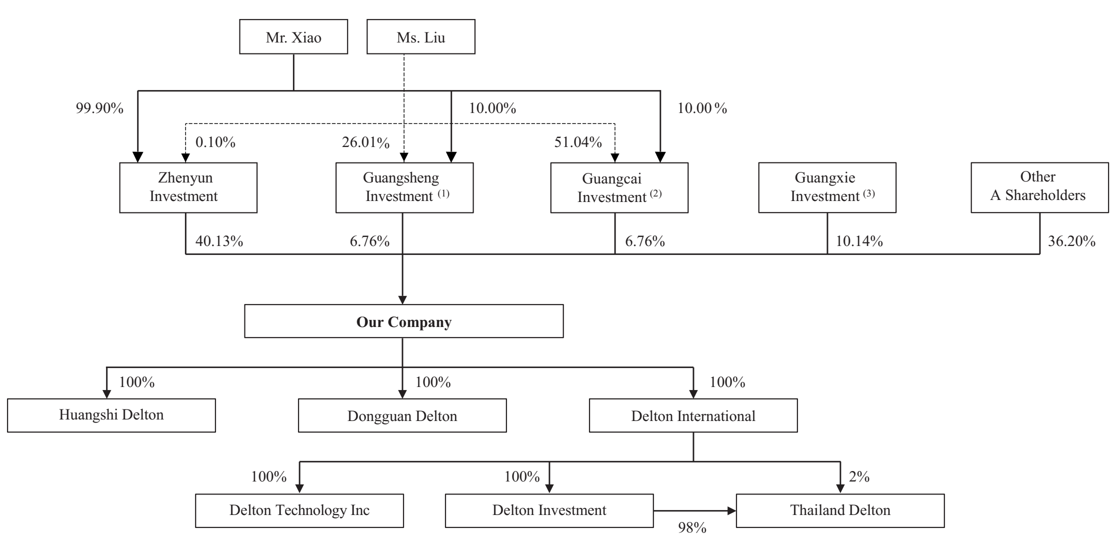
Based on the aforementioned reasons, our Directors consider that the major comments regarding the STAR Application have been adequately addressed in all material respects.

Our Directors are of the view, and the Joint Sponsors concur, that there are no material matters in relation to the STAR Application that need to be brought to the attention of the Stock Exchange and potential investors.

CORPORATE STRUCTURE

Corporate Structure Immediately Before the Global Offering

The following chart sets forth the simplified shareholding and corporate structure of our Group immediately before the Global Offering.



Notes:

(1) As of the Latest Practicable Date, Guangsheng Investment was held as to: (i) 10.00% by Mr. Xiao as the sole general partner thereof; (ii) approximately 26.01% by Ms. Liu as a limited partner thereof; (iii) approximately 25.09% by Mr. Guan Shuchun (管術春), our former deputy general manager, as a limited partner thereof; (iv) approximately 5.02% by Mr. Zeng Yangqing (曾楊清), our deputy general manager and secretary to the Board, as a limited partner thereof; (v) approximately 2.81% by Ms. He Jianqing (賀劍青), our chief financial officer, as a limited partner thereof; and (vi) approximately 31.07% by the remaining 28 limited partners, each of whom was an employee of our Company and an Independent Third Party, holding less than 5% partnership interest in Guangsheng Investment.

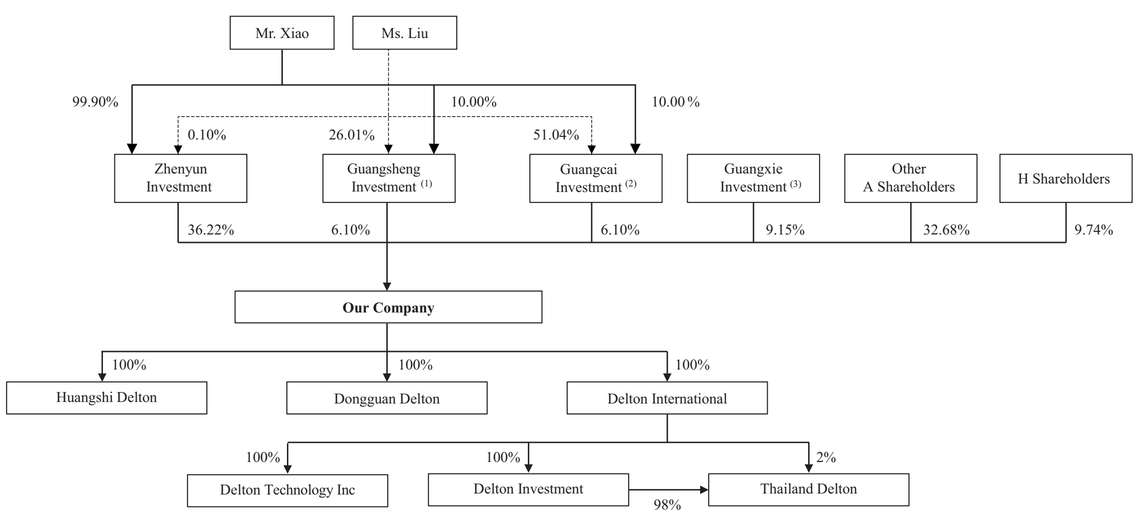
(2) As of the Latest Practicable Date, Guangcai Investment was held as to: (i) 10.00% by Mr. Xiao as the sole general partner thereof; (ii) approximately 51.04% by Ms. Liu as a limited partner thereof; (iii) approximately 5.50% by Mr. Zeng Yangqing as a limited partner thereof; (iv) approximately 2.01% by Mr. Peng Jinghui (彭鏡輝), our executive Director and employee representative Director, as a limited partner thereof; and (v) approximately 31.45% by the remaining 31 limited partners, each of whom was an employee of our Company and an Independent Third Party, holding less than 5% partnership interest in Guangcai Investment, save and except for one participant who held approximately 5.49% partnership interest therein as an Independent Third Party.

(3) As of the Latest Practicable Date, Guangxie Investment was held as to (i) approximately 66.67% by Ms. Zeng Hong (曾紅), our executive Director and our general manager, as the sole general partner thereof; (ii) 20.00% by Mr. Wang Jun (王峻), our deputy general manager, as a limited partner thereof; and (iii) approximately 13.33% by Mr. Li Qinyuang (黎欽源), our deputy general manager and chief engineer, as a limited partner thereof.

(4) Certain figures in the table are subject to rounding. Accordingly, figures shown as totals in the table may not be an arithmetic aggregation of the figures preceding them.

Corporate Structure Immediately After the Global Offering

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



Notes (1) to (3): please refer to the details contained in the preceding page.

CAPITALIZATION OF OUR COMPANY

The following table sets out our shareholding structure as of the Latest Practicable Date and immediately after completion of the Global Offering (assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing), respectively:

		As of the Latest Practicable Date				Immediately after completion of the Global Offering (1)			
	Shareholder	Number of A Shares	Number of H Shares	Approximate percentage of interest in relevant class of Shares	Approximate percentage of interest in total issued share capital	Number of A Shares	Number of H Shares	Approximate percentage of interest in relevant class of Shares	Approximate percentage of interest in total issued share capital
1	Zhenyun Investment	171,142,853	–	40.13%	40.13%	171,142,853	–	40.13%	36.22%
2	Guangxie Investment	43,249,099	–	10.14%	10.14%	43,249,099	–	10.14%	9.15%
3	Guangsheng Investment	28,832,734	–	6.76%	6.76%	28,832,734	–	6.76%	6.10%
4	Guangcai Investment	28,832,734	–	6.76%	6.76%	28,832,734	–	6.76%	6.10%
5	Other A Shareholders	154,389,062	–	36.20%	36.20%	154,389,062	–	36.20%	32.68%
6	H Shareholders	–	–	–	–	–	46,000,000	100.00%	9.74%
	Total	426,446,482	–	100.00%	100.00%	426,446,482	46,000,000	–	100.00%

Note:

(1) The calculation is based on the total number of 426,446,482 A Shares in issue immediately following the completion of the Global Offering (assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing).

(2) Certain figures in the table are subject to rounding. Accordingly, figures shown as totals in the table may not be an arithmetic aggregation of the figures preceding them.

Satisfaction of the Public Float Requirement

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.

Our A Shares are listed on the Shenzhen Stock Exchange. The total number of the H Shares to be issued pursuant to the Global Offering represents approximately 9.74% of the total issued share capital of our Company. Immediately following the completion of the Global Offering (assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing), the H Shares expected to be held by the public have an expected value of approximately HK$3.31 billion (calculated based on the maximum Offer Price of HK$71.88 per H Share), 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). Based on the above, it is expected that our Company will satisfy the public float requirements as required under Rule 19A.13A(2) of the Listing Rules.

Satisfaction of the Free Float Requirement

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.

Assuming that the final Offer Price is fixed at the maximum Offer Price of HK$71.88 per Offer Share, save for 20,674,800 H Shares (representing 4.38% of our total issued Shares immediately upon completion of the Global Offering) to be issued to the cornerstone investors that are subject to disposal restrictions for a period of six months from the Listing Date, the remaining 25,325,200 H Shares with an expected market capitalization of approximately HK$1,820.38 million, which is higher than HK$600 million under Rule 19A.13C, will not be subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise) at the time of the Listing. Our Company will satisfy the free float requirement under Rule 19A.13C of the Listing Rules.

OVERVIEW

Who We Are

We primarily develop, manufacture and sell customized PCBs for high performance servers and other computing applications. High performance servers undertake core computing tasks and are specifically designed for compute-intensive tasks, with their core function being the efficient processing of large-scale data, complex algorithms, and compute-intensive operations. High performance servers mainly include AI servers and general-purpose servers. According to Frost & Sullivan:

- we ranked (i) first among high performance server PCB manufacturers headquartered in the Chinese Mainland, and (ii) third among high performance server PCB manufacturers globally, in each case in terms of cumulative revenue form 2022 to 2024, representing a global market share of 4.9%; and

- we ranked (i) first among CPU motherboard PCB (for high performance servers) manufacturers headquartered in the Chinese Mainland, and (ii) third among CPU motherboard PCB (high performance servers) manufacturers globally, in each case in terms of cumulative revenue from 2022 to 2024, representing a global market share of 12.4%.

PCBs are circuit boards with predefined conductive pathways formed on insulating substrates, serving as critical and foundational components that support and connect electronic components within electronic devices, often referred to as the "mother of electronic products." In high performance servers, PCBs primarily facilitate data transmission and heat dissipation among server chips, memory modules and other critical components. With our core focus on high performance server and other computing application PCBs, we also strategically expand our product offerings. As of September 30, 2025, our PCB products covered (i) computing application mainly including high performance PCBs, such as AI server PCBs and general-purpose server PCBs, and datacenter switch PCBs, (ii) industrial application mainly including industrial control PCBs used in equipment, automotive PCBs, which include applications such as central control units, and communication PCBs, and (iii) consumer application mainly including consumer electronics PCBs used in products such as printers, laptops, wearable devices and emerging display devices (including mini and micro LED displays), and security electronics PCBs.

Set forth below are our ranking and business highlights:

No.1[1] Headquartered in Chinese Mainland | **No.3**[1] globally
among high performance server PCB manufacturers

Over 70%[4]
Proportion of offshore revenue in 2024

RMB3.7 billion Revenue in 2024 | **39.4%** YOY increase
Revenue growth for seven consecutive years from 2017 to 2024

Serve **8** out of the world's top **10**[2] server manufacturers

MIIT-recognized Smart Manufacturing **Demonstration Factory** for High-end Server PCBs

RMB676.1 million Net profit in 2024 | **18.1%** Net profit margin in 2024

12.4%[3]
Global Market Share
Market share of CPU motherboard PCBs for high performance servers

Fully engage
in the preliminary research and validation testing stages for leading server manufacturers[5]

27.6%[6]
Return on equity in 2024

Notes:

(1) We ranked third among high performance server PCB manufacturers globally, and ranked first among high performance server PCB manufacturers headquartered in the Chinese Mainland based on the cumulative revenue from high performance server PCBs from 2022 to 2024.

(2) Based on their respective revenue in 2024 according to Frost & Sullivan.

(3) Based on cumulative revenue from CPU motherboard PCB for high performance servers (including AI server CPU motherboards and general-purpose server CPU motherboards) from 2022 to 2024. Our market share of CPU motherboard PCB for high performance servers continued to increase from 2022 to 2024.

(4) Based on our revenue from PCBs in 2024 by offshore delivery destinations.

(5) We fully engage in the preliminary research and validation testing stages for our customers' new products, encompassing engineering validation test stage, design validation test stage, production validation test stage, and the final mass production stage. For further details, see "— Our Strengths — Rapid and Customized Product Delivery Capabilities Through Joint Design Manufacturing."

(6) Return on equity equals net profit divided by the arithmetic mean of the opening and closing balances of total equity for the relevant year, and multiplied by 100%. For the nine months ended September 30, 2025, return on equity is annualized by dividing profit for the nine months ended September 30, 2025 by 270 and multiplied by 360, then divided by the arithmetic mean of the opening and closing balance of total equity for this period.

Our Technological Capabilities

We continue to build our technological strengths in computing application PCBs. Under the leadership of our Chairman Mr. Xiao Hongxing, our founding team realized early the significant market potential for high performance PCBs since 2002. Considering the long R&D cycles, technological complexity, and lengthy customer certification periods required for high performance server PCBs, we believe early strategic deployment is crucial to our competitive advantages. We therefore focused our R&D on applying PCB base materials that carry fast digital signals with lower signal loss and less distortion for cloud computing, and have since carried out a series of research:

- ***Materials.*** We have built a comprehensive database and certification system for PCB base materials that carry fast digital signals with lower signal loss and less distortion. This allows us to select, validate and apply optimal PCB materials based on nuanced customer specifications, which could reduce our response times thereby capturing emerging market opportunities in an efficient manner. As of September 30, 2025, we have completed electrical and thermal performance validations for materials spanning M6 to M8 grades (with higher-numbered grades representing materials with incrementally superior electrical properties and greater thermal stability) and are in the process of conducting validations for materials on M9 grades. These are essential for stable and low-loss data transmission in advanced computing applications. Furthermore, we have completed testing on the reliability of these materials under demanding operational conditions, including conductive anodic filament testing and thermal cycling, validating robustness and long-term reliability of these materials, which enables us to proactively meet advanced technological demands from leading global customers;

- ***Manufacturing processes.*** We have developed manufacturing processes tailored to high performance server PCBs, with continual refinements to satisfy evolving and customized market demands. In the AI server PCB segment, for example, we actively advance high-layer-count PCBs and high-level HDI PCB manufacturing processes. As of the Latest Practicable Date, we have successfully developed 50-layer AI server PCBs and completed validation for the manufacturing processes of HDI PCBs of up to 7+. Additionally, we developed a pulsed plasma cleaning process and high-aspect-ratio through-hole plating technology, increasing the deep plating capability to 80% and controlling heavy copper uniformity errors within 5% tolerance. Together with our other advances in manufacturing processes, we have reduced the failure detection time, production efficiency; in parallel, we are advancing research in critical areas such as high-layer-count alignment accuracy, high-aspect-ratio drilling, deep back-drill residue control, back drilling alignment accuracy impedance stability, and loss performance. We are also enhancing our capabilities in high flatness production and specialized production technique, including stepping and heavy copper technique. These innovations contribute to the development of a comprehensive set of production technique for high performance server PCBs, creating a solid foundation for future product development; and

- ***Product development.*** We have adopted a joint design manufacturing (the "**JDM**") model that allows us to closely collaborate with global leading server manufacturer customers throughout their product development process. Starting from the initial design stage of our key customers, we conduct simulations on their reference design boards to ensure that our completed design aligns their specifications and reliability requirements. This proactive approach enables a smoother transition through subsequent validation stages, including engineering validation test stage, design validation test stage, and production validation test stage, where we further optimize PCB stack-up designs, perform material comparisons, test reliability, and address design or production issues. In the mass production stage, such product development approach enables us to achieve consistent quality controls and reliable delivery.

Our Market Opportunities

According to Frost & Sullivan, the global demand for high performance electronic devices continues to rise, driven by the growing adoption of AI and the expansion of datacenters, Internet of Vehicles, robotics, and IoT applications. As critical components in electronic products, PCBs have substantial growth opportunities. The global PCB market increased from US$62.0 billion in 2020 to US$75.0 billion in 2024, representing a CAGR of 4.9%, and is expected to further increase to US$93.7 billion by 2029, with a CAGR of 4.5%. Such market growth is primarily driven by (i) growing global demand for computing power, which drives the market for computing application PCBs, (ii) development in industrial control and automotive electronics, which steadily increases demand for industrial application PCBs, and (iii) upgrade and continual innovation in consumer electronics, which support stable consumer application PCB market. For further details, see "Industry Overview."

OUR STRENGTHS

A Globally Leading Manufacturer of Critical Components for High Performance Servers, Positioned to Benefit from Robust Growth Driven by the AI Era

We are committed to the manufacturing of critical components for high performance servers. According to Frost & Sullivan, we ranked (i) first among high performance server PCB manufacturers headquartered in the Chinese Mainland, and (ii) third among high performance server PCB manufacturers globally, in each case in terms of cumulative revenue from 2022 to 2024, representing a global market share of 4.9%. According to Frost & Sullivan, we ranked third among high performance server CPU motherboards PCB (including AI server CPU motherboards and general-purpose server CPU motherboards) PCB manufacturers globally, in terms of cumulative revenue from 2022 to 2024, representing a global market share of 12.4%.

With over 20 years of industry experience, we have consistently achieved significant milestones. These include, among others: (i) recognition of our CPU motherboards as part of the seventh batch of "National Manufacturing Single Champion Products (製造業單項冠軍產品)" in 2022, jointly awarded by the Ministry of Industry and Information Technology (the "**MIIT**") (國家工業和信息化部辦公廳) and the China Federation of Industrial Economics (中國工業經濟聯合會), (ii) receipt of the Second Prize in the "2023 Guangdong Provincial Science and Technology Progress Award (2023年廣東省科技進步二等獎)" from the People's Government of Guangdong Province for our project titled "Key Technologies and Industrialization of High Speed, High Layer PCBs for Big Data Server Motherboards (大數據服務器主板用高速高多層PCB關鍵技術及產業化)," (iii) certification of several of our products and related technologies – including AI server PCBs, datacenter switch PCBs (such as optical module PCBs), and consumer electronics PCBs (such as direct-view stepped PCBs) – as "Guangdong High Quality and High Tech Products (廣東省名優高新技術產品)" and (iv) recognition by the MIIT as a "Smart Manufacturing Demonstration Factory for High-end Server PCBs (高端服務器用PCB智能製造示範工廠)" and recognized by the National Development and Reform Commission as a "National Enterprise Technology Center (國家企業技術中心)."

According to Frost & Sullivan, driven by accelerating demand for computing power arising from the expansion of AI and cloud computing, the global high performance server PCB market is expected to increase from US$7.3 billion in 2024 to US$11.9 billion in 2029, representing a CAGR of 10.4%. The AI server PCB segment is expected to grow even faster, increasing from US$3.2 billion in 2024 to US$7.0 billion in 2029, representing a CAGR of 16.5%. As a market leader with an established track record, specialized technology capabilities, and a strategic focus on high-layer-count and high performance PCBs, we believe we are well positioned to capitalize on these significant growth opportunities.

Long-term Partnerships with Leading Global Downstream Customers

Our industry position is supported by our long-term relationships with prominent downstream customers. During the Track Record Period, our customers in the performance server segment included eight out of the top ten global server manufacturers by 2024 revenue, according to Frost & Sullivan. As of September 30, 2025, our collaboration with several of these leading global server manufacturers exceeds ten years.

In the computing application, specifically, our core customers comprise prominent global server brands in terms of market share, leading cloud computing and datacenter equipment OEMs, globally recognized ODMs, and major EMS providers providing specialized manufacturing services for mainstream server and enterprises. For instance we have a long-standing business relationship with Customer A, the world's top-ranked server manufacturer. We have been ranked as Customer A's top Supplier for 30 times from 2017 to 2025 and were honored with the Supplier of the Year Award in 2021. Customer A has consistently been one of our top five customers from 2022 to the nine months ended September 30, 2025, contributing 26.5%, 26.6%, 24.6% and 18.0% to our total revenue, respectively. Further, similarly, we have a long-term business partnership with Customer B, one of the world's largest server and cloud computing equipment OEMs, and its subsidiaries. We have been recognized with its Outstanding Supplier in 2021 and Best Strategic Supplier awards ("永續獎"). Customer B has also been among our top five customers from 2022 to the nine months ended September 30, 2025, contributing 16.5%, 20.0%, 16.3% and 17.4% to our total revenue, respectively.

According to Frost & Sullivan, relationship between leading server manufacturers and EMS providers and their PCB suppliers is typically characterized by rigorous initial assessments and continual collaboration. For initial assessment, on one hand, leading global server manufacturers and EMS providers generally implement comprehensive assessments of their PCB suppliers, evaluating key areas such as R&D capabilities, process technologies, operational management, reliability of product delivery, quality control system, environmental compliance and sustainability practices. This certification period typically spans one to two years, with incremental increases in order volume to thoroughly evaluate their suppliers' production capacities and reliability. For continual collaboration, on the other hand, following qualification, such manufacturers maintain stable and continual relationships with certified PCB suppliers to ensure consistent product stability, reliability and ongoing product iteration of their offerings.

Robust R&D Capabilities and Proven Technological Innovation

We believe that strong R&D capabilities and consistent technological innovation are crucial to achieve sustained industry leadership. These mainly include:

Comprehensive and agile R&D organization. We maintain a structured R&D framework covering research across materials, manufacturing processes and product development. Our specialized R&D teams include dedicated units for cloud computing products, telecommunications applications, terminal device applications and materials science. By closely tracking industry trends and evolving customer needs, we swiftly assemble cross-functional teams for preliminary research on emerging PCB technologies. We believe this structure significantly enhances our ability to meet diverse customization requirements and shortens product development cycles

Expertise in high speed and high-layer-count PCBs. Since 2016, we have strategically positioned high speed PCB materials and technologies related to cloud computing as our core R&D initiatives, building upon our extensive expertise in PCB materials, processes, and iterative product development. Leveraging advanced multilayer and high-density interconnect HDI PCB technologies, we have served the rapidly evolving needs of AI servers and high performance computing;

Early and comprehensive involvement in customer product development. According to Frost & Sullivan, high performance server PCBs typically iterate in synchronization with server chips, featuring product lifecycles of approximately three to five years, with maturity periods around two to three years. Leveraging close relationships with global leading chip and server manufacturers, our R&D teams proactively engage customers from the early development stages to precisely define PCB design solutions. This involvement enables early issue detection and supports smooth transition into subsequent validation and mass production stages;

Systematic talent development and team building. We prioritize talent acquisition and training, enhancing our team's capabilities through external recruitment, university-to-industry collaborations, and comprehensive internal training programs. Our structured talent development system includes regular professional training, pre-employment orientation, academic exchanges, and peer learning opportunities, fostering a highly competent R&D team equipped with both theoretical foundations and practical expertise; and

National-level R&D platforms and leadership in industry technical standards. We hold multiple prestigious national and provincial technical certifications, including recognition as a national enterprise technology center and CNAS laboratory accreditation, as well as provincial certifications such as the Guangdong provincial high-frequency and high speed PCB engineering technology research center, the Guangdong provincial industrial design center for high-frequency and high speed PCBs and the Guangzhou Postdoctoral Innovation Practice Base. We also actively lead and participate in the formulation of industry standards, contributing to 13 standards projects as of September 30, 2025.

Rapid and Customized Product Delivery Capabilities Through Joint Design Manufacturing

With growing demand for customized high performance server PCBs, traditional standardized products and fragmented supply chains are no longer sufficient to meet the stringent market performance and reliability requirements. In response, we have formed a JDM model. Together with our integration of advanced digital management systems, automated production equipment, and intelligent logistics management, we achieve seamless alignment of client requirements from early product concept to subsequent validation testing and mass production. We believe such model enables early identification and resolution of potential technical and production issues, and the collaboration could help us optimize the designs of our PCB products for mass production efficiency, enhances product stability and reliability, thereby reinforcing our partnership with customers.

Under our JDM model, we systemically engage with customers throughout their product development process:

Early development and pre-validation

- Confirming requirements
- Forming technology roadmap
- Initial feasibility test

We conduct feasibility studies on the application and front-end design of PCB materials, to assist our customers in their server development process. This is to ensure compatibility with the new chip specifications, during the initial phase of computing chip development by chip manufacturers.

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Engineering validation test

- Validating design feasibility
- Identifying engineering issues
- Ensuring specifications coverage

We work with our customers to further refine our products and design plans. Together, we identify any potential difficulties for mass production to further validate the feasibility of the design. We also validate the specifications and electrical performance of our products.

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Design validation test

- Ensuring that requirements are satisfied by design
- Ensuring that mass production is feasible
- Validating reliability and legal compliance

Based the results of validation, we further improve the design. Our active engagement with our customers ensures early identification and rapid resolution of potential issues, significantly improving product stability and performance reliability.

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Production validation test

- Validating mass production process
- Validating stability of supply chain

We leverage a digital manufacturing execution system to ensure robust process oversight, including real-time parameter optimization for critical processes such as lamination and drilling, and validation of batch consistency.

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Mass production

- Mass production and delivery
- Continued refinement

We enforce stringent process controls, including a dual-supply chain assurance mechanism (strategic inventory reserves for critical materials and dual-supplier management), real-time production monitoring, proactive equipment maintenance, and a comprehensive quality traceability system.

We provide customers with monthly yield analysis reports to drive continuous improvements in production efficiency and product quality. We also develop cost optimization plans to help customers reduce production costs.

To further enhance seamless delivery and customer satisfaction, we station experienced technical personnel at customers' production sites for immediate technical and quality support. We believe this deep integration throughout the product lifecycle under our JDM model ensures transparent and efficient collaboration with customers, enhances strategic partnerships, and reinforces our competitive market position.

Experienced and Visionary Management Team

Our core management team brings over 20 years of extensive experience in the electron circuit and PCB industries, demonstrating deep market insight and strong execution capabilities. Our management team effectively identify industry trends and lead strategic initiatives that drive our steady growth.

Our founder, Mr. Xiao Hongxing, has nearly 30 years of electronics technology industry experience. In 2013, he strategically assembled an experienced management team and has since led the Company to consistent profitability and growth. With keen market foresight, he initiated the early deployment of high speed PCB materials in cloud computing applications as early as 2016, enabling us to secure a first-mover advantage in the computing application PCBs. Our general manager, Ms. Zeng Hong, also has more than 30 years of experience in the PCB industry and is a widely recognized industry expert. She holds prominent roles including but not limited to vice president of the Scientific and Technological Committee of the China Electronic Circuit Industry Association (中國電子電路行業協會科學技術委員會), as deputy director of the National Printed Circuit Standards Committee under the China Electronics Society's Electronics Manufacturing and Packaging Technology Branch (中國電子學會電子製造與封裝技術分會全國印製電路專委會). Our deputy general manager and chief engineer, Mr. Li Qinyuan, with more than 30 years of PCB industry experience, has been focusing on PCB process engineering and product development for over 20 years. He received the Third Prize for Scientific and Technological Progress by the China Institute of Electronics in 2021 and was recognized as a "PCB Industry Technology Star (PCB行業科技之星)" by the Guangdong Printed Circuit Industry Association in 2022. Mr. Li is also a principal drafter of four industry standards and holds 29 invention patents.

OUR STRATEGIES

Guided by our vision of synthesizing wisdom and nurturing innovation, we strive to foster global leadership in intelligent interconnection with quality products and services.

Market Strategy: Expanding and Deepening our Global Presence

We plan to strategically expand our international presence and enhance our global market position through targeted customer collaborations and localized operations

Expanding strategic partnerships globally. Leveraging our established JDM model, we aim to deepen collaborations with leading global server manufacturers. By actively participating throughout their product development cycles, starting from early conceptual design through to mass production, we provide consistent technical and manufacturing support that precisely addresses customers' evolving requirements. We believe early involvement allows us to comprehensively anticipate customer needs and deliver additional value beyond traditional manufacturing services. Additionally, our research and development teams will focus on improving core PCB technologies, particularly for advanced computing applications requiring rapid data transmission, effective control of signal loss, and stable performance under high-frequency operating conditions, thereby fulfilling customers' evolving product specifications. We intend to use approximately 10.0% of the net proceeds, or HK$317.5 million for enhancing our R&D capabilities, as detailed in "Future Plans and Use of Proceeds." Coupled with our quality assurance processes, reliability testing and certifications in line with customers' standards, we believe this collaborative and proactive approach enables us to continue to grow our international customer base and reinforce our global market position; and

Strengthening localized operations. We emphasize international market layout and are actively executing our global business expansion initiatives. We have established Phase I of Thai Base, primarily focusing on the production of high value-added PCB products for high performance servers, thereby increasing our share in the global market. At the same time, we are advancing the construction of our Phase II of the Thai Base which is expected to commence in 2026. We intend to use approximately 19.7% of the net proceeds, or HK$625.8 million for this strategies, as detailed in "Future Plans and Use of Proceeds." We believe such expansion will further increase production capacity, enhance our technical reserves, and enable us to meet the rapidly growing demands of global leading customers. In addition, we plan to expand our footprint into mature markets internationally, including the United States, by establishing local sales and service teams therein. Such local presence will focus on providing customer relationship management and technical assistance, without involving direct import or export activities. We believe this approach will enable more efficient customer interaction and communication, strengthen regional market penetration, lift brand awareness, and improve customer satisfaction.

Operation Strategy: Expanding High-value Added Product Portfolio and Enhancing Intelligent Manufacturing

We aim to expand our portfolio of high-value-added products and advance our intelligent manufacturing capabilities, which we believe will position us strongly in the fast-growing markets:

Optimizing our high-value product portfolio. We will continue to optimize our product portfolio and intensify R&D investments in high-value, technologically advanced PCBs. We intend to use approximately 10.0% of the net proceeds, or HK$317.5 million for enhancing our R&D capabilities, as detailed in "Future Plans and Use of Proceeds." By increasing the proportion of sophisticated products — such as high-layer-count CPU motherboards for AI servers, ultra-high-layer-count UBB and switch boards, and advanced HDI PCBs — we aim to drive profitability and strengthen our competitive edge. Specifically, we plan to continually follow technological advancements and iterations in server chip platforms and proactively develop CPU motherboards that deliver consistent and sustainable electrical performance. For ultra-high-layer-count UBB and switch boards, we plan to continually enhance our mass-production capabilities through accumulation of relevant experience. We also continue to advance our technological research to further enhance signal integrity and ensure reliability under varying operating conditions. Additionally, we will closely monitor emerging market trends to identify new opportunities for further expanding our range of high-value product offering;

Strengthening technological leadership through focused R&D. We plan to further solidify our technological leadership by increasing R&D investment in high-growth product segments. These include computing application sectors, and other emerging fields such as AI personal computers, advanced displays, low-Earth orbit satellites and the low-attitude economy. To support these advanced products, we will continually enhance critical technologies, ensuring the stability and efficiency of high speed signals, improve precision manufacturing capabilities, and elevate overall product quality; and

Comprehensive Advancement of Intelligent Manufacturing Systems. We are committed to achieving digital transformation and implementing intelligent manufacturing systems across our facilities to enhance efficiency, reduce costs, and improve product yields. At our Guangzhou base, we have deployed an integrated intelligent system leveraging big data analytics and AI algorithms. This system automates and optimizes critical manufacturing parameters in real-time, supported by automated equipment and advanced automated guided vehicle logistics systems, which could enhance productivity and product consistency for our high performance server PCBs. At our Huangshi base, we have also introduced advanced intelligent visual inspection systems. We expect to further optimize and upgrade our intelligent manufacturing systems and also equip our Thai Base with fully automated production lines. Collectively, we believe these enhancements will ensure our global manufacturing network achieves consistently high standards of efficiency, responsiveness, and quality. We intend to use approximately 52.1% of the net proceeds, or HK$1,655.1 million to expand and upgrade our production facilities in Guangzhou base, as detailed in "Future Plans and Use of Proceeds."

Talent Strategy: Building a Tiered Talent Pipeline

We are committed to developing a diverse, professional, and globally oriented workforce, creating a robust pipeline of high-caliber to support our long-term growth:

Structured talent development. We have established a structured and comprehensive talent development framework designed to systematically enhance the professional skills and competencies of our workforce. This framework includes ongoing internal training programs, targeted mentorship, self-directed learning initiatives, and collaborative projects that integrate industry, academia, and research partners, ensuring sustainable internal growth momentum;

Diversified talent team construction. We will actively enhance our recruitment of experienced professionals across key functional areas, including R&D, manufacturing, marketing, and supply chain management. Leveraging both domestic and international recruitment channels, especially from within the PCB and related industries, we aim to build a cross-regional, multi-disciplinary talent base, so as to strengthen our competitive advantage; and

Strong focus on academic collaboration and high-caliber talent reserves. We continue to deepen strategic partnerships with leading universities and research institutions, fostering talent development through joint laboratories, research initiatives, and structured academic collaboration programs. These initiatives enable us to build a pipeline of technically skilled and managerially capable professionals. Going forward, we will further expand our collaboration with top-tier academic institutions, enhancing our talent reserves and strengthening the depth and quality of our talent pipeline.

OUR PRODUCTS

Overview

During the Track Record Period, we primarily generated revenue from the sales of PCBs. As the essential components used in electronic products, PCBs are flat boards made from insulating material with thin layers of copper tracks, which form pathways that connect various electronic components, such as integrated circuits, chips, resistors, capacitors and connectors.

The PCBs we sell include (i) computing application PCBs, (ii) industrial application PCBs and (iii) consumer application PCBs. We primarily focus on computing application PCBs. In 2022, 2023, 2024, and the nine months ended September 30, 2024 and 2025, our revenue from computing application PCBs was RMB1,635.3 million, RMB1,858.2 million, RMB2,705.6 million, RMB1,961.7 million and RMB2,833.2 million, representing 67.8%, 69.4%, 72.5%, 73.2% and 73.9% of our total revenue, respectively.

The table below sets out a breakdown of our revenue by application of PCBs for the periods indicated:

	Year ended December 31						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*
PCBs										
Computing application PCBs	1,635,289	67.8	1,858,189	69.4	2,705,557	72.5	1,961,717	73.2	2,833,230	73.9
Industrial application PCBs	290,697	12.1	260,785	9.7	280,768	7.5	194,195	7.2	291,932	7.6
Consumer application PCBs	345,800	14.3	418,162	15.6	493,055	13.2	363,323	13.6	449,569	11.7
Subtotal	**2,271,786**	**94.2**	**2,537,136**	**94.7**	**3,479,380**	**93.2**	**2,519,235**	**94.0**	**3,574,731**	**93.2**
Other Products(1)	**140,601**	**5.8**	**141,134**	**5.3**	**254,905**	**6.8**	**161,425**	**6.0**	**260,398**	**6.8**
Total	**2,412,387**	**100.0**	**2,678,270**	**100.0**	**3,734,285**	**100.0**	**2,680,660**	**100.0**	**3,835,129**	**100.0**

Note:

(1) Other products primarily include recyclable materials such as etching liquids, lamination frames and other production residues.

Our PCBs can be categorized by manufacturing technology into multilayer PCBs and HDI PCBs:

Multilayer PCBs. Multilayer PCBs are classified by layer count. Besides single-sided PCBs, layer count of our multilayer PCBs features an even number as each layer has a top and a bottom side. These PCBs are produced by stacking multiple layers of conductive circuits together within a fixed thickness, enabling more complex designs and providing higher performance. Multilayer PCBs with eight or more layers, particularly those with 18 layers and above, are commonly used in applications requiring advanced electrical performance, such as CPU motherboards under AI server PCBs, datacenter switch PCBs and communication PCBs.

HDI PCBs. HDI PCBs are classified by level, which refers to the number of microvia layers. These PCBs use specialized manufacturing techniques, including blind and buried vias, to expand the available wiring area, thereby allowing denser circuit connections within a smaller board area. Compared to typical multilayer PCBs which primarily use mechanical drilling with larger holes, Microvia layer PCBs typically employ laser drilling technology, resulting in smaller hole diameters. The compact size of microvias enable a higher density of interconnection points per unit area and supports finer trace widths and spacing. As a result, HDI PCBs are often used in compact, high-density electronic products, such as AI server accelerator boards and other miniatured, high performance products like intelligent network interface cards and motherboards for smartphones and laptops.

In 2022, 2023, 2024, and the nine months ended September 30, 2024 and 2025, 63.1%, 65.7%, 66.9%, 66.6% and 73.7% of our revenue was from sales of multilayer PCBs with eight or more layers, respectively, and 8.1%, 6.6%, 9.2%, 8.9% and 6.8% of our revenue was from sales of HDI PCBs, respectively, both of which represent PCBs used in advanced applications such as AI servers, datacenters or communication equipment that require higher transmission speed, greater wiring density, location accuracy and/or thermal stability according to Frost & Sullivan.

The table below sets out a breakdown of our revenue from PCBs by product category for the years indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*
							(Unaudited)			
PCBs										
Multilayer PCBs										
Six and below layers	553,877	23.0	599,595	22.4	638,373	17.1	496,044	18.5	486,781	12.7
Eight to 16 layers	1,458,483	60.4	1,589,579	59.3	2,107,255	56.4	1,498,637	55.9	2,228,982	58.1
18 and above layers	64,896	2.7	172,208	6.4	391,033	10.5	285,852	10.7	600,079	15.6
Subtotal	**2,077,256**	**86.1**	**2,361,382**	**88.1**	**3,136,661**	**84.0**	**2,280,533**	**85.1**	**3,315,842**	**86.4**
HDI PCBs	**194,530**	**8.1**	**175,754**	**6.6**	**342,719**	**9.2**	**238,702**	**8.9**	**258,889**	**6.8**
Subtotal	**2,271,786**	**94.2**	**2,537,136**	**94.7**	**3,479,380**	**93.2**	**2,519,235**	**94.0**	**3,574,731**	**93.2**
Other Products	**140,601**	**5.8**	**141,134**	**5.3**	**254,905**	**6.8**	**161,425**	**6.0**	**260,398**	**6.8**
Total	**2,412,387**	**100.0**	**2,678,270**	**100.0**	**3,734,285**	**100.0**	**2,680,660**	**100.0**	**3,835,129**	**100.0**

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

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price
	(sq. m.)	*(RMB per sq.m.)*	*(sq. m.)*	*(RMB per sq.m.)*	*(sq. m.)*	*(RMB per sq.m.)*	*(sq. m.)*	*(RMB per sq.m.)*	*(sq. m.)*	*(RMB per sq.m.)*
							(Unaudited)			
Multilayer PCBs										
Six and below layers	553,729	1,000	703,845	852[(1)]	760,908	839	604,872	820	527,223	923[(2)]
Eight to 16 layers	540,267	2,700	454,826	3,495[(3)]	592,995	3,554	417,110	3,593	633,767	3,517
18 and above layers	8,315	7,805	18,009	9,562	37,878	10,323	27,176	10,519	74,011	8,108[(4)]
Subtotal	**1,102,311**	**1,884**	**1,176,680**	**2,007**	**1,391,781**	**2,254**	**1,049,157**	**2,174**	**1,235,001**	**2,685**
HDI PCBs	**66,417**	**2,929**	**55,218**	**3,183**	**99,807**	**3,434**	**59,387**	**4,019**	**102,490**	**2,526[(5)]**
Total	**1,168,727**	**1,944**	**1,231,898**	**2,060**	**1,491,588**	**2,333**	**1,108,544**	**2,273**	**1,337,491**	**2,673**

Notes:

(1) The average selling price of our multilayer PCBs with six and below layers decreased from RMB1,000 per sq.m. in 2022 to RMB852 per sq.m. in 2023, primarily due to a shift in our product mix. This shift is primarily characterized by increased sales of lower-layer LED PCBs and PCBs used in desktop tablet devices, which are typically associated with lower pricing due to relatively simplified design and standardized specifications.

(2) The average selling price of our multilayer PCBs with six and below layers increased from RMB820 per sq.m. in the nine months ended September 30, 2024 to RMB923 per sq.m. in the nine months ended September 30, 2025. This increase was primarily driven by a shift in our product mix, including (i) reduced sales volume of low-layer LED PCBs following a transition towards HDI LED PCBs, (ii) a strategic reduction in sales for PCBs used in desktop tablet devices, and (iii) increased sales of server PCBs which typically command higher average selling prices.

(3) The average selling price of our multilayer PCBs with eight to 16 layers increased from RMB2,700 per sq.m. in 2022 to RMB3,495 per sq.m. in 2023, primarily due to (i) architecture upgrades and process enhancements of our PCB products introduced during the same period in response to upgrades in computing platforms adopted in customers' server products and (ii) increased sales volumes of higher-layer PCBs, particularly those between 14 to 16 layers, which generally command higher selling prices.

(4) The average selling price of our multilayer PCBs with 18 and above layers decreased from RMB10,519 per sq.m. in the nine months ended September 30, 2024 to RMB8,108 per sq.m. in the nine months ended September 30, 2025. This decrease was primarily due to an increased portion of sales of PCBs with relatively lower layer count, driven by (i) increased sales of 18-layer PCBs and (ii) a corresponding decline in the proportion of revenue generated from sales of 28-layer UBBs during the same period.

(5) The average selling price of our HDI PCBs decreased from RMB4,019 per sq.m. in the nine months ended September 30, 2024 to RMB2,526 per sq.m. in the nine months ended September 30, 2025, primarily driven by a shift in our sales structure. This shift reflected (i) reduced sales of higher-priced HDI server PCBs due to changes in customers' business operations needs, and (ii) increased sales of HDI LED PCBs (which replaced conventional low-layer LED PCBs), and HDI industrial control PCBs, both of which typically command relatively lower selling prices.

The table below sets forth the details of our key products as of the Latest Practicable Date:

Key Products	Application Scenario	Product line	Design	Features
Computing application PCBs				
High performance server PCBs				
AI server PCBs	AI model training Computer vision Natural language processing	AI server accelerator boards	Multilayer PCBs (12 to 22 layers); or HDI PCBs (3+ to 7+)	• High speed signal transmission, single rate up to 112 Gb/s • Excellent signal integrity by precise impedance and insertion loss control • Manufactured with ultra low loss CCL
	Edge AI computing	UBB and switch boards	Multilayer PCBs (22 to 50 layers)	• High speed transmission at a rate of 32 Gb/s to 112 Gb/s • Excellent signal integrity by precise impedance and insertion loss control • Manufactured with ultra low-loss CCL • High-precision back drilling and POFV design
		CPU motherboards	Multilayer PCBs (14 to 24 layers)	• High-speed signal transmission supporting PCIe 5.0 transmission rate up to 32 Gb/s • Excellent signal integrity by precise impedance and insertion loss control • Manufactured with very low-loss CCL • High-precision back drilling and POFV design
		Power boards and other supporting boards	Multilayer PCBs (four to 18 layers); or HDI PCBs (2+ to 4+)	• Copper thickness up to 4 oz/ft^2 • Partial gold finger design
General-purpose server PCBs	General-purpose computing server Cloud computing platform Enterprise IT facilities	CPU motherboards Supporting boards	Multilayer PCBs (12 to 22 layers) Multilayer PCBs (four to 12 layers)	• High-speed signal transmission • Excellent signal integrity by precise impedance and insertion loss control • Manufactured with very low-loss CCL • High-precision back drilling and POFV design
Datacenter switch PCBs	Cloud Computing Datacenter switch AI Datacenter switch Edge Datacenter switch Storage Area Network ("**SAN**") Switch		Multilayer PCBs (16 to 46 layers)	• High-speed transmission at a rate of 56 Gb/s to 224 Gb/s • Excellent signal integrity by precise impedance and insertion loss control • Manufactured with ultra low-loss CCL • High-precision back drilling and POFV design • Frequency up to 53 GHz

Key Products			Design	Features
	Application Scenario	Product line		
Industrial application PCBs				
Industrial control PCBs	Smart manufacturing and automation Industrial equipment and machinery control Process control and monitoring systems Power and energy control		Multilayer PCBs (four to 24 layers)	• High reliability and harsh environmental resistance • Manufactured with high thermal resistance CCL
Automotive PCBs	Power control systems Chassis and safety systems Connected and assisted driving systems		Multilayer PCBs (two to 12 layers)	• Conductive anodic filament resistance • High reliability and harsh environmental resistance • Manufactured with high thermal resistance CCL
Communication PCBs	Mobile communication devices Broadband access devices Industrial ethernet devices Smart home devices	Telecom switch PCBs	Multilayer PCBs (10 to 24 layers)	• High-speed transmission at a rate of 56 Gb/s to 112 Gb/s • Excellent signal integrity by precise impedance and insertion loss control • Manufactured with ultra low-loss CCL • High-precision back drilling and POFV design
		5G base station PCBs	Multilayer PCBs (ten to 18 layers)	• Conductive anodic filament resistance • High reliability and harsh environmental resistance • Buried copper design to improve heat dissipation efficiency • Manufactured with high thermal resistance CCL
Consumer application PCBs				
Consumer electronics PCBs	Mobile smart devices Home entertainment devices Health monitoring devices Portable devices		Multilayer PCBs (six to 14 layers); or HDI PCBs (2+ to 4+)	• Compact and thin design • Utilizing halogen-free materials
Security electronics PCBs	Video surveillance systems Intrusion alarm systems Access control systems Home security systems		Multilayer PCBs (six to ten layers); or HDI PCBs (2+ to 3+)	• High reliability and harsh environmental resistance • Manufactured with high thermal resistance CCL

PCBs

Computing Application PCBs

Our computing application PCBs are dense multilayer PCBs designed for computing and data management equipment used in high performance servers and AI training. During the Track Record Period, our computing application PCBs included (i) high performance server PCBs and (ii) datacenter switch PCBs.

High Performance Server PCBs

Our high performance server PCBs are designed to fulfill the performance, reliability and integration requirements of advanced datacenters and intelligent computing infrastructure. According to Frost & Sullivan, high performance server PCBs form the foundation for high performance servers. Our high performance server PCBs are categorized into (i) AI server PCBs and (ii) general-purpose server PCBs.

AI server PCBs

Our AI server PCBs are specialized server PCBs optimized for AI computing systems. These PCBs typically feature advanced capabilities, including dense multilayer structures and rapid signal transmission, which are essential for AI workloads such as machine learning training, inference tasks and intensive parallel data processing. Set forth below are key product lines under our AI server PCBs as of the Latest Practicable Date:

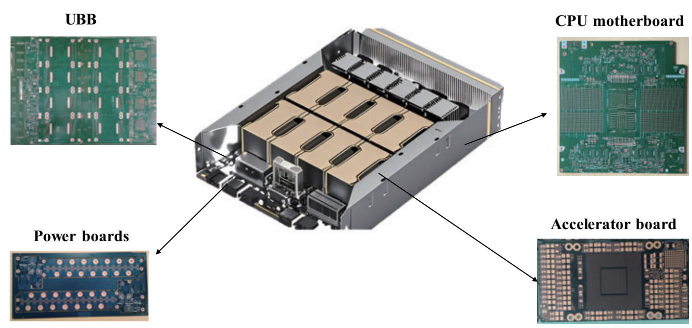
- ***AI server accelerator boards.*** These PCBs serve as interface carriers for GPU accelerator modules in AI servers and are designed to meet the demands of deep learning and other compute-intensive AI applications for stable and efficient data transmission. By adopting high-layer-count and HDI designs, combined with ultra-low loss laminates and ultra-low profile copper foils, we precisely control signal integrity to deliver optimal performance. Our AI accelerator boards featured multilayer design with 12 to 22 layers or HDI design of 3+ to 7+, and minimum conductor width/spacing of 50μm, allowing high transmission speed and optimal signal integrity.

- ***UBB and switch boards.*** These PCBs are specifically designed to support high performance chips such as GPUs. Their primary function is to interconnect multiple accelerator modules and maximize computing power, commonly featuring architectures where eight GPUs are interconnected, either through high speed connectors or SMT mounting onto a UBB. Our UBB and switch boards are characterized by high layer counts of 22 to 50 layers, high aspect ratios, and the use of ultra-low loss and ultra-low profile copper foils to ensure signal integrity.

- ***CPU motherboards.*** These PCBs provide the central computing platform for AI servers, supporting intensive data processing and logistics computing tasks. Our CPU motherboards feature a high-layer-count design with 14 to 24 layers. Unlike general-purpose server motherboards, which typically use a two-socket design, our CPU motherboards employ a single-route design, resulting in shorter signal paths and enabling lower latency signal transmission.

- ***Power boards and other supporting boards.*** Theses PCBs includes power boards, fan control boards, riser cards, I/O modules, and hard disk backboards, each serving distinct functional purposes within the system. For instance, Power boards provide essential support functions such as power distribution and component connectivity specifically optimized for AI server workloads. They are designed to handle high current loads with strong power management features to ensure system reliability in AI processing environments. Our power boards featured multilayer designs with four to 18 layers or HDI design of 2+ to 4+, allowing high transmission speed and thermal stability.

Set forth below is an illustrative picture of our AI server PCBs integrated into the end product of our customers:



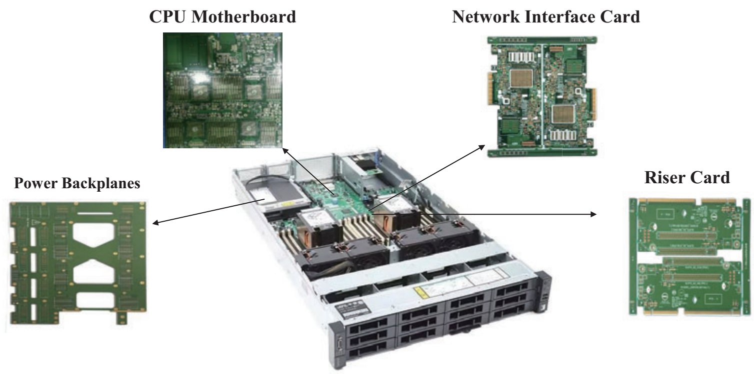
General-purpose server PCBs

Our general-purpose server PCBs are designed to support standard computing operations within general-purpose servers, handling tasks such as general data processing, storage management and routine networking activities. Set forth below are key product lines under our general-purpose server PCBs as of the Latest Practicable Date:

- ***General-purpose server motherboards.*** These PCBs serve as the central computing platform within general-purpose servers, which support data processing and network management tasks. We employ advanced manufacturing processes such as pulse vertical continuous plating, high speed dielectric materials, laser direct imaging and vacuum etching technology, to achieve precise control over conductor width, spacing and impedance. Our general-purpose server motherboards typically featured multilayer designs with 12 to 22 layers.

- ***General-purpose server supporting boards.*** These PCBs facilitate general supporting tasks such as power distribution, network connectivity and vertical component expansion for standard computing operations. They include products such as power backplanes, network interface cards and riser cards, designed with compact, precise layouts to ensure stable electrical performance and effective thermal management for typical datacenter operations. Our general-purpose server supporting boards multilayer designs with four to 12 layers.

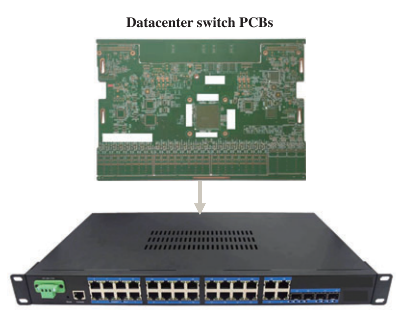
Set forth below is an illustrative picture of our general-purpose server PCBs integrated into the end product of our customers:



Datacenter Switch PCBs

Our datacenter switch PCBs are designed to meet the growing demand for high speed signal transmission in advanced datacenters and 5G networks, and use advanced design techniques such as small-pitch BGA routing, back-drilling and resin-filled via to maintain signal integrity and reduce insertion loss. They are widely used in high performance computing applications such as datacenter switches. As of the Latest Practicable Date, we provided datacenter switch PCBs ranging from 16 to 46 layers.

Set forth below is an illustrative picture of our datacenter switch PCBs integrated into the end product of our customers:



Industrial Application PCBs

Our industrial application PCBs are printed circuit boards designed for industrial environments that typically require enhanced durability, precision and consistent performance. During the Track Record Period, our industrial application PCBs primarily included (i) industrial control PCBs, (ii) automotive PCBs and (iii) communication PCBs. Set forth below are key product lines under our industrial application PCBs of the Latest Practicable Date:

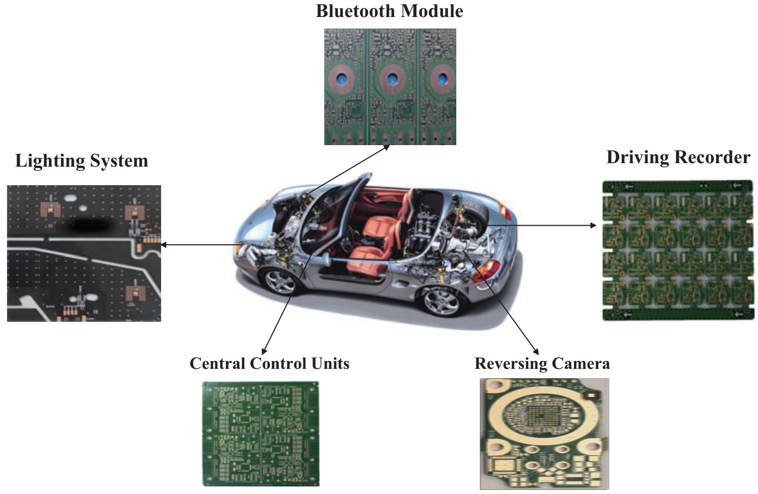
- ***Industrial control PCBs.*** These PCBs are designed for integration into industrial control systems, including among others, the industrial robotics, industrial camera, servo drivers and geological exploration drill bits. Our industrial control PCBs typically employ advanced multi-layer HDI technology and impedance control within ±10%. These enable us to deliver high-precision PCBs that meet customers' requirements for functionality, safety and durability. Our industrial control PCBs typically featured four to 24 layers.

  Set forth below are illustrative pictures of our industrial control PCBs integrated into the end products of our customers:

Industrial Robots **Geological Exploration Drill Bits**

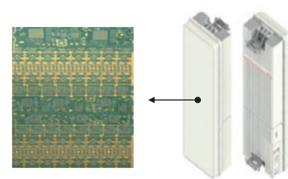
- ***Automotive PCBs.*** These PCBs are engineered for use in critical automotive systems, including among others, the central control units, lighting, bluetooth modules, driving recorders and reversing cameras. Our automotive PCBs emphasize reliability, enhanced thermal management and signal integrity, which are essential in operating in automotive conditions. To meet the increasing industry demands, we have developed advanced thermal dissipation layers within the automotive PCBs, which improve local component heat management and overall reliability. We provided automotive PCBs ranging from two to 12 layers.

  Set forth below is an illustrative picture of our automotive PCBs integrated into the end product of our customers:

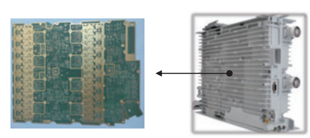


- ***Communication PCBs.*** These PCBs are primarily designed for telecommunication equipment, supporting functions such as data transmission, signal processing and network connectivity. Key communication PCBs include (i) telecom switch PCBs, designed for the signal transmission and management in telecom base stations and communication servers, and (ii) telecom base station PCBs, such as active antenna unit module PCBs, remote ratio unit PCBs, small cell base station PCBs and communication optical module PCBs, which are tailored to the needs of modern telecommunication base stations, including 5G infrastructure. Our communication PCBs typically featured ten to 24 layers.

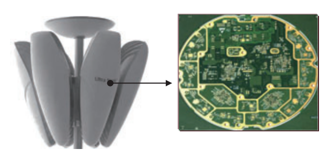
  Set forth below are illustrative pictures of our communication PCBs integrated into the end products of our customers:



Active Antenna Unit Modules



Remote Radio Unit



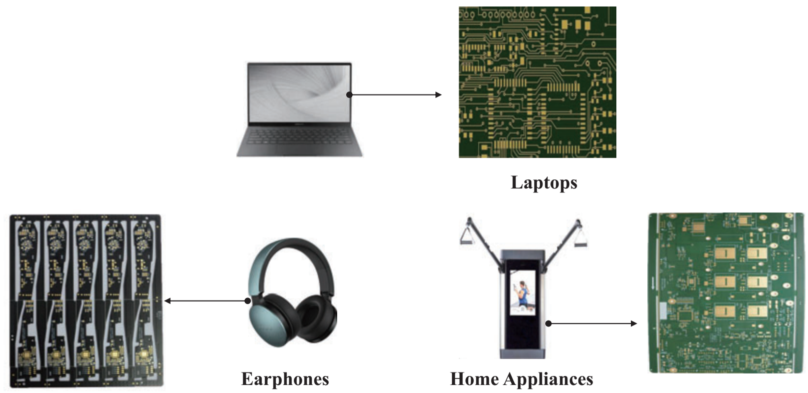
Smell Cell Base Station

Consumer application PCBs

Our consumer application PCBs are PCBs designed for mass-market consumer electronic devices and security equipment, which emphasize compact design, cost-effectiveness and consistent performance across varied consumer environments. During the Track Record Period, our consumer application PCBs primarily included (i) consumer electronics PCBs and (ii) security electronics PCBs. Set forth below are key product lines under consumer application PCBs of the Latest Practicable Date:

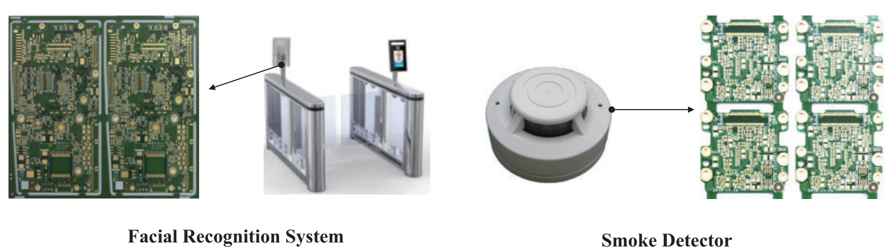
- ***Consumer electronics PCBs.*** These PCBs are generally used in consumer devices such as printers, laptops and tablets, display cards, smart wearable devices and home appliances. Leveraging our technologies and experience in computing power and industrial application PCBs, we provide consumer electronics that feature compact and multilayer designs which feature precise conductor spacing of 50 to 75μm, optimized to meet market's demands for miniaturization, energy efficiency and functional reliability. Our consumer electronics PCBs featured multilayer design of six to 14 layers or HDI designs of 2+ to 4+.

Set forth below are illustrative pictures of our consumer electronics PCBs integrated into the end products of our customers:



- ***Security electronics PCBs.*** These PCBs are designed for use in security and surveillance systems, including surveillance cameras, smoke detectors, facial recognition systems and access control intercom systems. Our security electronics PCBs featured multilayer design of six to ten layers or HDI design of 2+ to 3+.

  Set forth below are illustrative pictures of our security electronics PCBs integrated into the end products of our customers:



Other Products

During the Track Record Period, we derived revenue from sales of recyclable materials, primarily including etching liquids, lamination frames and other production residues. We generate such recyclable materials during the PCB production process. For example, etching liquids are used to remove excess copper from PCB surfaces, resulting in liquids that contain dissolved copper and other valuable metals. These recyclable materials are primarily used in applications such as copper smelting, electroplating or the manufacturing of lower-grade copper-based products.

RESEARCH AND DEVELOPMENT

Our commitment to innovation and technology is key to our long-term growth. Our R&D team is well-rounded, particularly in the areas of basic theory, technical capability and practical experience. As of September 30, 2025, our R&D team had more than 400 employees. In 2022, 2023, 2024, and the nine months ended September 30, 2024 and 2025, our R&D expenses accounted for 4.8%, 4.5%, 4.8%, 4.9% and 5.1% of our total revenue, respectively.

Structured R&D Approach and Process

We have a structured R&D approach to systemically manage our R&D activities across different departments. Our R&D projects and intellectual property management have satisfied the requirements under the relevant international standard – ISO 56005:2020 (level two). Key aspects of our R&D process include (i) material technology research, (ii) product development, (iii) manufacturing process development, (iv) new product introduction, (v) reliability testing, (vi) commercialization and project management, and (vii) market development.

Our Technologies

Our core technologies enable us to develop and customize high performance PCBs that cater to evolving customer demands. These technologies are underpinned by our systematic R&D capabilities across (i) material technology, (ii) manufacturing process and (iii) product development. The following chart sets forth our technology highlights in the three aspects:

Material technology. We have established a material database to enhance PCB performance, including but not limited to: (i) CCL, ranging from standard FR4 to ultra low loss M9-level materials, enabling signal integrity across different product grades; (ii) HDI materials, ranging from 1+ to 7+ HDI to meet complex interconnect demands; and (iii) Specific materials, including those for low CTE, high thermal conductivity, strict impedance and insertion loss for RF applications, supporting a wide range of high speed transmission applications.

Manufacturing process. We have developed advanced manufacturing process to enhance PCB precision and reliability, including but not limited to: (i) precision impedance control; (ii) precision insertion loss control; (iii) BGA Flatness Control; (iv) Precision Back-drilling; and (v) High-aspect-ratio. Through advanced drilling techniques and research on electroplating pulse waveforms and chemical solutions, we have achieved high-reliability processing of high-aspect-ratio holes. This has enabled the mass production of products with an aspect ratio exceeding 20:1.

Product development. We have realized the mass production of high speed and high performance PCB products, including but not limited to: (i) Mass Production of Server PCBs for PCIe 5.0. We have achieved mass production for PCIe 5.0 server motherboards based on x86 platforms and ARM-based architectures; (ii) Next-Gen Server R&D. We have completed early-stage R&D and new product introduction for PCIe 6.0; (iii) AI Accelerator Board. We have achieved stable mass production of 5+ HDI accelerator card PCBs and 22-layer to 32-layer UBB boards; and (iv) High Speed Transmission Applications.

Collaboration with Research Institutions

To continually foster innovation and expand our R&D talent pipeline, we have established long-term collaborations with leading universities and research institutions in China. We collaborated with them in the aspects of (i) industry-academic-research collaboration, including our "Guangdong High-Frequency and High Speed PCB Engineering Technology Research Center" and the "Graduate Student Training Demonstration Base" together with a leading engineering university in China, (ii) industry-academic-research projects, in which we build long-term cooperation with leading engineering universities and research institutions in Guangdong province, Sichuan province and Beijing, (iii) postdoctoral research, in which we sign joint training agreements with postdoctoral researchers at leading engineering universities to train high-end talents, and (iv) international R&D research. Depending on different arrangements under our collaboration agreements with universities and research institutions, we are entitled to the intellectual property in relation to its research and development projects carried out independently by us, and jointly own intellectual property rights arising from collaborative projects with these institutions.

INTELLECTUAL PROPERTY

Under our JDM model, our customers define the overall product requirements, performance parameters and technical specifications of their server products. These include but not limited to, the system architecture of server products, chip selection, electrical and mechanical performance of their server products and the corresponding components used therein. We then develop PCB products to meet the aforementioned customer-defined requirements. We are generally entitled to the intellectual property rights relating to our PCBs, while the customers retain intellectual property rights relating to their products. As of the Latest Practicable Date, we owned 266 patents (including 95 invention patents) and received 40 copyrights. See "Appendix VI — Statutory and General Information — B. Further Information about Our Business — 2. Our Intellectual Property Rights" for further details of our intellectual property portfolio.

PRODUCTION

Production Process

We produce a diverse range of PCBs, with slight variations in the production processes depending on the product type. The following flowchart illustrates the key steps in our production process of a multilayer PCB:

Production steps	Our Company	Third-party suppliers
Raw material preparations	Quality inspections, sizing and cleaning	Supply raw materials
Inner layer circuit manufacturing	Photosensitive coating, exposure and chemical etching	Supply necessary chemicals and consumables
Inner layer automated optical inspection	Quality inspection	Supply inspection equipment
Lamination	Stack-up, heating lamination and pressure lamination	Supply prepreg resin sheets and CCL
Laser drilling	Precision laser drilling	Supply laser equipment
Mechanical drilling	Precision mechanical drilling	Supply drilling equipment and drilling bits
Plasma cleaning	Plasma-based resin removal	Supply necessary processing gas
Electroplating	Copper deposition and electroplating	Supply plating chemicals and solutions
Back drilling	High-precision back drilling	Supply drilling equipment and drilling bits
Resin plugging	Resin fill of microvias	Supply resin materials
Outer layer circuit formation	Photosensitive coating, exposure and chemical etching	Supply chemicals, coatings and consumables
Outer layer automated optical inspection	Quality inspection	Supply inspection equipment
Solder mask and surface finish application	Application of protective coatings and finishes	Supply solder mask materials and gold/tin plating solutions
Profiling	Shaping PCB	Supply shaping equipment
Electrical testing and visual inspections	Visual inspections, electrical testing and quality checks	Supply testing equipment
Packaging	PCB cutting, final inspections and packaging for transportations	Supply anti-static packaging materials and cartons

Existing Production Facilities

Our production capabilities are designed to align with our customers' demands, ensuring a consistent and reliable supply of PCB products. The following table sets out details of our production facilities in production as of September 30, 2025:

Facility	Location	Major Products/ Capabilities	GFA	Commencement of production
Guangzhou Base	Guangzhou, Guangdong, China	Computing application PCBs Industrial applications PCBs	Approximately 66,640 sq. m.	February 2013
	Dongguan, Guangdong, China	Ancillary productions for Guangzhou base	Approximately 68,950 sq. m.	March 2024
Huangshi Base	Huangshi, Hubei, China	Industrial applications PCBs Consumer application PCBs	Approximately 167,400 sq. m.	July 2021
Thai Base	Thailand	Computing application PCBs	Approximately 92,650 sq. m.	June 2025

We typically plan our production on a monthly basis based on the forecasted demand of our customers and the anticipated market trends. We continually monitor our production facilities and utilization rates and update our production plans based on the rolling forecasts of customer orders.

The table below sets forth our designed production capacity, actual production volume and utilization rate for the years indicated:

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
Guangzhou base					
– Designed production capacity (ten thousand sq. m.)[1]	95.4	91.7[2]	100.3[3]	75.2	78.0
– Actual production volume (ten thousand sq. m.)	86.1	76.8	92.3	67.0	76.9
– Utilization rate (%)[4]	90.2	83.7	92.1	89.1	98.7
Huangshi base					
– Designed production capacity (ten thousand sq. m.)[6]	56.0	83.4	87.3	65.5	72.4
– Actual production volume (ten thousand sq. m.)	30.9	49.1	56.4	41.9	55.2
– Utilization rate (%)	55.1	58.9	64.7	64.0	76.3
Thai base					
– Designed production capacity (ten thousand sq. m.)	–	–	–	–	15.0
– Actual production volume (ten thousand sq. m.)	–	–	–	–	1.8
– Utilization rate (%)	–	–	–	–	12.0[7]

Notes:

(1) Designed production capacity of the year is calculated based on the following assumptions: (i) 300 operational days per year and 225 days per nine months, and (ii) 24 operating hours per day. The calculation of production capacity excludes (i) production lines which were suspended for maintenance/technical upgrades and (ii) newly launched production lines which were undergoing a test period.

The designed production capacity of our production bases is affected by the types and production requirements of the PCBs being manufactured. The same production lines may be utilized for manufacturing PCBs of varying specifications, complexity and layer counts, which can result in variations in production capacity. In addition, during the Track Record Period, we periodically allocated sales orders between our Guangzhou base and Huangshi base based on product specifications and applications. Specifically, the Huangshi base primarily handles consumer and industrial-application products, as well as certain mid- to low-end server products, while the Guangzhou base primarily focuses on high-end server products. This allocation ensures that each base can optimize its production capacity and meet specific product requirements.

(2) The designed production capacity of our Guangzhou base decreased in 2023, primarily due to the allocation of sales orders for consumer and industrial-application products to the Huangshi base. This led to more production of PCBs with increased complexity, including more layers and higher processing difficulty, resulting in lower designed production capacity.

(3) The designed production capacity at the Guangzhou base increased in 2024 as the Dongguan facility of the Guangzhou base began operations, allowing for the relocation of certain processing steps to the Dongguan facility. Such reallocation facilitated capacity enhancement of the Guangzhou base and expanded the production capacity along with the utilization rate through technological upgrades.

(4) Utilization rate is calculated by dividing actual production volume by the designed production capacity.

(5) The utilization rate of our Guangzhou base decreased from 90.2% in 2022 to 83.7% in 2023, primarily due to certain orders for the Guangzhou base being allocated to Huangshi base for production in 2023.

(6) The designed production capacity of our Huangshi base increased from 2022 to 2023, and remained relatively stable in 2024, primarily because the Huangshi base was in a production ramp-up phase, which resulted in a then relatively lower designed production capacity in 2022.

(7) The utilization rate of our Thai production base was relatively low for the nine months ended September 30, 2025. The base only commenced commercial production in June 2025 and remained in the ramp-up phase during the period. Certain production equipment and facilities were still undergoing testing, validation and progressive commissioning, and not all production lines had reached full operational status.

Our capacity utilization rate may fluctuate periodically, primarily due to the custom orders tailored to the unique specifications and technical requirements of our customers, particularly in the production of PCBs for AI and general-purpose servers, as well as industrial application products. Upon securing new purchase orders, we are generally required to invest in production capacity and finetune manufacturing processes before beginning mass production and ramping up output for the specifications. This typically involves equipment procurement, setup, technical calibration, testing and verification processes before reaching optimal efficiency. Additionally, our capacity utilization rate is influenced by the timing of new product launches by our customers and industry-wide cycles driven by technological upgrades and market conditions.

During the Track Record Period, the utilization rate of our Huangshi base was lower than that of our Guangzhou base, primarily due to (i) lower utilization rates in 2022 and the first half of 2023 as the factory was still in ramp-up phase and did not reach full capacity, (ii) weakened demand of consumer electronics sector, (iii) employment of advanced automated equipment in the production lines, which required a longer initial adjustment period for optimization as compared to more established Guangzhou base.

To enhance our production capabilities and strengthen our global reach, we have established our Thai Base. The Phase I of our Thai base completed construction in January 2025 and commenced production by the end of June 2025. We expect to expand our production capacity through Phase II of our Thai base, which is expected to commence in 2026, with completion and production expected to commend in 2027. The estimated capital expenditure for Phase II construction, procurement of machineries and installation of relevant equipment is approximately RMB1,194.7 million, which we expect to be fulfilled by a combination of net proceeds from the Global Offering and cash flows generated from our operating activities. The designed production capacity of Phase II is approximately 300,000 sq. m. per year. We also consider to expand the production capacity of our Guangzhou base, in particular production capacity for HDI PCBs. The expanded production lines are expected to commence production in the fourth quarter of 2026. For further details, see "Future Plans and Use of Proceeds."

QUALITY CONTROL

We emphasize the quality control measures to facilitate consistent quality control in our business operations. To achieve this, we have established a quality management system, encompassing inspections during key stages of our production. This enables us to promptly identify potential deviations. Additionally, leveraging the quality management system, we continually optimize our production workflows to swiftly address customer inquiries and adapt to changing market demands. Our quality management system complies with internationally recognized standards relevant to PCB production, including ISO9001 for overall quality management consistency; IATF16949 for automotive electronics PCBs; IECQ QC080000 for hazardous substance process management during our PCB production process; ISO14001 for our environmental management and sustainability practices; and ISO45001 for our occupational health and safety management.

SALES AND MARKETING

Our Sales Network

We primarily sell our products through direct sales. Our direct sales customers consist mainly of (i) end product brands, as the brand-owning companies that design, brand and market their electronic products, and (ii) EMS providers, which manufacture and assemble products based on specifications and designs from the end product brands. Most of the products sold through direct sales feature customized specifications as requested directly by our direct sales customers. This approach allowed us to deliver tailored products and work closely to the needs of our direct sales customers.

We also sell to trading partners to extend our market reach and efficiently serve smaller-scale end customers and end customers in certain regions. We believe our diversified sales channels enable us to maintain stable demand and expand our market presence. We also sell a small portion of our products to other PCB manufacturers. These PCB manufacturers have demand for our products when they have insufficient production capacity or they do not have the required capability to produce the products required by their customers. We also collaborated with sales partners to reinforce our relationship with our direct sales customers.

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

	Year ended December 31,			Nine months ended September 30,
	2022	2023	2024	2025
Direct sales customers[(1)]	118	130	138	155
Trading partners[(1) (2)]	32	43	31	32
PCB manufacturers[(1)]	19	17	14	15
Total	**169**	**190**	**183**	**202**

Notes:

(1) Refers to the number of customers from whom we recognized revenue in the respective year.

(2) We engage with trading partners on an order-by-order basis, through individually issued purchase orders, rather than formal distribution agreements. Accordingly, during the Track Record Period, there were no terminations of business relationships involved in relation to our business relationship with trading partners.

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

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000* *(unaudited)*	*(%)*	*RMB'000*	*(%)*
PCB										
Direct sales [(1)]	2,128,796	88.2	2,373,995	88.7	3,366,432	90.1	2,437,324	90.9	3,471,073	90.5
Sales through trading partners	105,760	4.4	117,931	4.4	105,059	2.8	76,179	2.9	99,563	2.6
Sales to PCB manufacturers	37,230	1.6	43,496	1.6	7,889	0.3	5,732	0.2	4,095	0.1
Subtotal	**2,271,786**	**94.2**	**2,537,136**	**94.7**	**3,479,380**	**93.2**	**2,519,235**	**94.0**	**3,574,731**	**93.2**
Other products[(2)]	**140,601**	**5.8**	**141,134**	**5.3**	**254,905**	**6.8**	**161,425**	**6.0**	**260,398**	**6.8**
Total	**2,412,387**	**100.0**	**2,678,270**	**100.0**	**3,734,285**	**100.0**	**2,680,660**	**100.0**	**3,835,129**	**100.0**

Notes:

(1) Revenue generated from direct sales involving sales partners amounted to RMB1,150.0 million, RMB1,385.4 million, RMB1,789.8 million, RMB1,291.0 million and RMB1,411.8 million, in 2022, 2023, 2024, and the nine months ended September 30, 2024 and 2025, respectively.

(2) Other products were sold through our direct sales channel.

During the Track Record Period, our products were sold in both domestic and international markets. The table below sets forth our revenue from PCBs by region, based on the delivery destination of our products, for the periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*
							(unaudited)			
Offshore										
Bonded zones	1,130,904	49.8	1,196,070	47.1	1,618,683	46.5	1,199,521	47.6	1,211,324	33.9
Hong Kong[(1)]	412,309	18.1	387,052	15.3	531,453	15.3	350,873	13.9	765,133	21.4
– Transferred back to the Chinese Mainland	192,803	8.5	173,199	6.8	192,263	5.5	132,767	5.3	86,741	2.4
– Transferred to other Asian countries	76,582	3.4	69,264	2.7	151,874	4.4	95,806	3.8	350,211	9.8
– Transferred to Europe	56,776	2.5	46,947	1.9	48,711	1.4	38,188	1.5	40,490	1.1
– Transferred to America	37,297	1.6	71,021	2.8	124,102	3.6	72,995	2.9	235,871	6.6
– Transferred to other regions	48,851	2.1	26,620	1.1	14,503	0.4	11,117	0.4	51,820	1.4
Taiwan	315,126	13.9	461,668	18.2	524,667	15.1	392,525	15.6	541,219	15.1
Others[(2)]	19,757	0.9	14,887	0.6	7,950	0.2	6,534	0.3	8,211	0.2
Subtotal	**1,878,096**	**82.7**	**2,059,677**	**81.2**	**2,682,753**	**77.1**	**1,494,453**	**77.4**	**2,525,887**	**70.6**
Chinese Mainland (excluding bonded zones)	**393,690**	**17.3**	**477,459**	**18.8**	**796,627**	**22.9**	**569,782**	**22.6**	**1,048,844**	**29.4**
Total	**2,271,786**	**100.0**	**2,537,136**	**100.0**	**3,479,380**	**100.0**	**2,519,235**	**100.0**	**3,574,731**	**100.0**

Notes:

(1) A portion of our products delivered to Hong Kong were subsequently transferred to customers' manufacturing facilities located in the Chinese Mainland, while the others were subsequently transferred to customers' facilities located in other countries in Asia such as Thailand, Malaysia, Singapore, Japan and other regions for further assembly and processing.

Deliveries to Hong Kong are typically conducted under Free on Board ("**FOB**") Hong Kong trade terms as defined under the Incoterms rules published by the International Chamber of Commerce. Under these terms, Hong Kong serves as the designated delivery location, which is generally the port or carrier handover point, while the final destination of the goods is generally specified specifically in shipping documents like bill of lading as well as sales orders.

(2) Others mainly include Thailand and Mexico.

(3) Revenue attributed to product sales to bonded zones as a percentage of our total revenue decreased from 47.6% in the nine months ended September 30, 2024 to 33.9% in the nine months ended September 30, 2025. This decrease was primarily driven by (i) a larger increase in revenue generated from sales of PCBs delivered to the Chinese Mainland, reflecting robust demand from our domestic customer base during the nine months ended September 30, 2025, and (ii) adjustments to delivery arrangements by certain existing customers, who transitioned from bonded zone deliveries to overseas destinations in line with their evolving operational needs.

Bonded Zones

Overview

Bonded zones are closed-format comprehensive open areas in the Chinese Mainland, the main functions of which are transit trade, export processing, warehousing and international transportation. Enterprises and transactions within the bonded zones are, under the direct supervision of the customs department of the PRC government, entitled to special preferential policies, in respect to, among others, tariff, logistics, import and export trade and customs filing related procedure, and must conduct trading activities between enterprises within the bonded zones and overseas enterprises enjoy tariff preferential policies. For further details, see "Regulatory Overview — Regulations in Relation to Bonded Zones."

During the Track Record Period, we declared exports through Huangpu bonded zone, which is part of the Guangzhou bonded zone where our Group was registered in. In 2022 and 2023, the Guangzhou bonded zone was eligible for preferential trade policies for imports under relevant laws and regulations, which specified that production equipment imported for use in the production steps of entities operating within bonded zones would receive bonded status and be exempt from tariffs and VAT. Starting in 2024, as a result of policy adjustments relating to the planning and geographic scope of bonded zones, the Guangzhou Bonded Zone in which our Group was previously situated ceased to qualify as a bonded zone. Consequently, our Group is no longer located within a bonded zone and is no longer entitled to the relevant preferential policies, including VAT and tariff exemptions on imported production equipment. Following this change, we remain eligible to and has continued to declare exports through the Huangpu bonded zone with minimal impact on our customer declaration procedures or export sales operations. However, as our Group is no longer an entity operating within bonded zones, we are no longer entitled to the preferential policies available under relevant laws and regulations such as VAT exemptions for imported production equipment. We consider that the impact of the cessation of preferential status is limited, as our major technology upgrade projects have already been completed and we do not expect significant volumes of new equipment import.

Considering that the shift from the Guangzhou Bonded Zone to the Huangpu Bonded Zone merely reflects a change in customer-designated delivery locations, and given that our sales volume, number of our sales orders, revenue, and the number of customers have remained stable with continued growth during the Track Record Period, our Directors are of the view that this change has not had and is not expected to have any material adverse impact on our business operations or financial performance.

Benefits for arrangement of product sales to bonded zones

Arrangement of product sales to bonded zones have the following benefits: (i) exemption from export duty, as goods shipped from bonded zones to overseas markets are exempt from export duties, (ii) goods transferred between different bonded zones are entitled to a bonded status and are exempt from both tariff and import related taxes, (iii) sales to bonded zones are treated as direct exports under relevant regulations, which allows customs clearance and export tax rebates once the goods are declared, and (iv) the bonded zone system simplifies customs approval procedures, by allowing enterprises within the zones to handle their own filings, set reasonable customs verification cycles, and self-report, thereby enhancing autonomy in managing tax and customs procedures and improving operational efficiency.

Our sales model within bonded zones

Within bonded zones, risks and ownership are transferred to our customers under different scenarios based on contractual arrangements. If products are for immediate use, the risk and ownership transfer to the customer once the goods are cleared through customs in the bonded zone and delivered to the customer's designated site for production. If products are stored in warehouses for future use, goods are delivered to and stored in the customer's designated warehouses within the bonded zone until needed for production, with ownership and risk remaining with us until the customer retrieves the goods.

Our Direct Sales

During the Track Record Period, we sold our products directly to customers, consisting mainly of (i) end product brands and (ii) EMS providers in various industries including cloud computing and datacenters, telecommunications, automotive electronics, consumer electronics and other industries. We reach our direct sales customers through a combination of online and offline efforts such as industry exhibitions, where we showcase our product portfolio, technologies and production capabilities.

Direct Sales Customers

Under the direct sales model, our direct sales customers generally make customized requirements on product specifications, review and conduct certifications on key performance of the required products. Through direct sales, we establish close and long-term collaborative relationships with direct sales customers, where we actively participate from the early stages of their product design, providing technical support and customized production solutions. Our dedicated sales and technical teams maintain ongoing communication with our direct sales customers, enabling us to respond promptly and effectively to their evolving requirements.

We generally enter into a framework agreement with our direct sales customers. Salient terms of our typical direct sales agreements are as follows:

- ***Term and termination.*** We generally enter into framework direct sales agreements without a fixed term, which may be terminated by mutual agreement or by either party upon prior written notice under events specified under the agreements.

- ***Pricing policy.*** We sell our products to direct sales customers at mutually agreed price ranges under purchase orders.

- ***Payment and credit term.*** We generally require our direct sales customers to pay upon acceptance of products. We typically provide a credit period of up to 90 days from the date of invoice.

- ***Purchase amount.*** We specify purchase amounts in the purchase orders in line with the framework agreements.

- ***Product guarantee and return arrangements.*** We generally do not allow our direct sales customers to return products to us except in limited circumstances such as product defects. We typically provide a product warranty period of up to five years depending on the applications of PCBs we sell.

- ***Delivery and logistics.*** We are responsible for delivering our products to locations designated by our direct sales customers.

- ***Confidentiality.*** These framework agreements usually have strict confidentiality provisions that restrict us from disclosing confidential information of our customer.

Our Trading Partners

We sell our PCB products to reputable trading partners to extend our market reach and efficiently serve smaller-scale end customers and end customers in certain regions. According to Frost & Sullivan, engagement of trading partners for the sales of products are in line with the PCB industry norm.

Relationship with our trading partners

The relationships between trading partners and us are categorized as seller-buyer relationships. However, we do not authorize them to acquire end customers, negotiate on our behalf, or maintain inventory for resale. We typically do not enter into distribution agreements with trading partners. Instead, we transact on an order-by-order basis through individually issued purchase orders. Accordingly, during the Track Record Period, there were no terminations of our business relationships with trading partners. Revenue is recognized upon the transfer of control of our products, which occurs when the products are delivered to and accepted by our trading partners.

To the best of our knowledge, during the Track Record Period and up to the Latest Practicable Date, all of our trading partners were Independent Third Parties. To the best of our knowledge, besides the ordinary course sales arrangement with us, there is no other relationship between the trading partners and each of our Company, our subsidiaries, our Shareholders who own 5% or more of the total issued Shares, Directors or senior management or any of their respective associates. As of the Latest Practicable Date, we were not aware of any potential abuses or improper use of our name by our trading partners which could adversely affect our reputation, business operation or financial condition.

Engagement with our trading partners

We engage third-party insurance providers to assess the creditworthiness of trading partners before collaboration. For trading partners deemed credible by the insurance providers, we secure trade credit insurance with coverage for the receivables associated with their purchase orders. In cases where insurance coverage of receivables is not available due to the insurance providers' credit assessment, we may require prepayment from such trading partners in line of our internal policies. This strategy allows us to manage credit risk effectively and ensures that we do not extend open credit terms without adequate risk mitigation measures.

Principal Contractual Terms with Trading Partners

We typically do not enter into fixed-term framework distribution agreements with our trading partners. Instead, our commercial engagement is conducted on a transaction-by-transaction basis based on sales agreement or purchase order. The key terms of our sales agreements and purchase orders are set out below:

- ***Term and termination.*** Our transactions with trading partners are typically conducted through individual purchase orders without a fixed contractual term. Either party may cease business by discontinuing future purchase orders. In limited cases, we enter into sales agreement with our trading partners with terms of up to five years. The nature of these relationships remains consistent with those established without such long-term agreements.

- ***Risk transfer.*** Risks are transferred to our trading partners once the products are shipped to the designated ports specified in the purchase orders, following their inspection and confirmation.

- ***Pricing policy.*** We sell our products to trading partners at mutually agreed price as specified in the purchase orders. We negotiate prices with trading partners on a per-order basis, taking into account market conditions and specific requirements from end customers.

- ***Sales target.*** We do not impose sales targets or minimum purchase obligations on our trading partners. Purchase order reflects actual end customer demand, and we do not encourage speculative stocking.

- ***Product return.*** We generally do not allow our trading partners to return products to us except for product defects.

- ***Confidentiality.*** The trading partners agrees to strictly protect the information and proprietary know-how it has gained access to under the agreement.

- ***Compliance and anti-corruption obligations.*** Trading partners are generally required to comply with our anti-corruption and ethical conduct standards. Our trading partners are generally required to refrain from offering improper benefits to our personnel or engaging in any conduct that may compromise the integrity of our commercial dealings.

- ***Dispute resolution.*** Both parties agree to amicable negotiation for any disputes arising out of performance of the agreement. If the dispute cannot be resolved, either party can proceed to court proceedings.

Management of our trading partners

Due to the nature of our relationship with trading partners, we exercise limited control over their operations or sales activities. We do not assign sales targets, enter into long-term distribution agreements, or grant exclusive territories under our sales agreements with trading partners.

Under our sales model with trading partners, we believe that we are subject to limited exposure to risks associated with channel stuffing or cannibalization:

- ***Limited channel stuffing risk.*** We do not impose sales targets or minimum purchase obligations on trading partners. Orders are placed on a as-needed basis and reflect specific end customer requirements with different product specifications. Trading partners are generally not permitted to return unsold inventory, and we do not engage in consignment or speculative sales arrangements.

- ***Limited cannibalization risk.*** Our products are highly customized PCBs built to meet individual end customer requirements. Products ordered through trading partners are generally not interchangeable or resalable to other end customers, which mitigates the risk of internal sales displacement or price competition with our direct sales channel or sales through other trading partners.

Accordingly, considering that (i) we do not set sales targets or minimum purchase obligations, (ii) our trading partners are generally not permitted to return unsold products, (iii) our products are largely customized and not interchangeable, and (iv) we did not identify any material channel stuffing or cannibalization risks during the Track Record Period and up to the Latest Practicable Date, our Directors are of the view that we do not have any material channel stuffing or cannibalization risks.

Our Sales to PCB Manufacturers

We sell a small portion of our products to other PCB manufacturers. Such arrangements typically occurs when these manufacturers are unable to fulfill their customers' orders due to (i) insufficient production capacity, (ii) lack of the required technical capabilities, or (iii) comparatively higher manufacturing costs. According to Frost & Sullivan, such arrangement is common in our industry and is consistent with the market practice.

We believe that there would not be competition between us and our PCB manufacturers customers, as the products supplied to PCB manufacturers are generally distinct from those we produce for our own customers. In particular, we generally supply low-end or supplementary PCBs, such as industrial application PCBs and consumer application PCBs with six and lower layers, to PCB manufacturers when they lack sufficient production capacity or the necessary capabilities for specific products. In comparison, our primary focus remains on high-end, specialized PCBs for our own operations. Although such sales to PCB manufacturers may be loss-making on a standalone basis, we believe they could enable us to utilize idle production capacity, improve overall utilization rates, and reduce per-unit fixed manufacturing costs such as depreciation and amortization for manufacturing equipment. Accordingly, we consider that such arrangements are commercially rational, as they support our overall operational efficiency and contribute to margin stability across our broader product portfolio.

Principal Contractual Terms with PCB Manufacturers

The key terms of the relevant sales agreement are set out below:

- ***Term and termination.*** We typically enter into a framework sales agreement with other PCB manufacturers. The agreement will provide a certain period for us to deliver the required products. Such agreement can be terminated upon mutual consent or by either party upon written notice under the events specified in the agreement.

- ***Pricing policy.*** We sell our products to these customers at mutually agreed price ranges under purchase orders.

- ***Payment and credit term.*** We generally require these customers to pay upon acceptance of products. We typically provide a credit period of up to 90 days from the date of invoice.

- ***Purchase amount.*** We specify purchase amounts in the purchase order.

- ***Product guarantee and return arrangements.*** We typically do not allow these customers to return products to us except in limited circumstances such as product defects.

- ***Delivery and logistics.*** We are responsible for delivering our products to locations designated by our customers.

- ***Confidentiality.*** These agreements usually have confidentiality provisions that restrict us from disclosing confidential information of our customer.

Pricing

We price our products based primarily on factors including product specifications, technical complexity, required manufacturing processes, raw material costs, industry certifications and standards, customer order volume and market conditions. Our sales team closely collaborate with our production and procurement team to assess the cost implications. To manage fluctuations in raw material prices, especially key materials such as copper foils, CCL and prepregs, we closely track market trends and maintain close communications with suppliers. According to Frost & Sullivan, the pricing of our key products during the Track Record Period was generally within the price ranges observed in the industry.

Marketing

We adopt tailored business development approaches for each of our target applications, strategically allocating substantial resources toward the high-growth segments, particularly servers and related computing applications. Our customer engagement spans the entire process from initial customer acquisition through product validation, production and product delivery. Through this close and continuous collaboration, we gain insights of our customers early in the product development process and understand their evolving needs. This allows us to deliver optimized products with consistent quality and efficient manufacturing, which enhances customer trust and loyalty. Additionally, we station technical personnel at key customers' sites to deliver swift responses, which further solidifies customer confidence and satisfaction.

Product Return

Based on our policy and agreements with our customers, products sold to customers cannot be returned except for instances of product design defects and quality issues. On average, the value of products returned by customers accounted for less than 0.2% of our total revenue of respective periods during the Track Record Period. During the Track Record Period and up to the Latest Practicable Date, we did not received any material product return, exchange, complaints or product liability claims from our customers. Since we received no material customer complaints or request for product exchange due to product quality and defects which were material to our business, we did not incurred any material warranty expense or made any provision for such warranty expense during the Track Record Period and up to the Latest Practicable Date.

Our Sales Partner

We collaborate with sales partners to maintain our relationship with our direct sales customers. Sales partners normally play a role in (i) acquiring updated or potential product requirements from direct sales customers and facilitating business communication, and (ii) providing local support to overseas direct sales customers by bridging geographical, language, and cultural differences as we expand our international business. According to Frost & Sullivan, such collaboration with sales partner is common and consistent with the industry practices in the global PCB industry. None of our Directors, senior management and their respective associates, or Shareholders who own 5% or more of the total issued Shares had any interest in any of our sales partners during the Track Record Period.

Under this model, we enter into contracts directly with direct sales customers and sell products to them, while paying a commission fee to our sales partners for their maintenance and execution efforts. We do not sell products to sales partners, and our ability to acquire customers and drive business growth is not dependent on sales partners. Our agreements with sales partners are commission-based and generally have no fixed term or include automatic renewal clauses. Either party may terminate the agreement at any time with written notice. During the Track Record Period, there were no terminations of business relationships with our sales partners.

We recognize revenue based on the sales amounts at the agreed selling price under the sales agreements with direct sales customers. Commission fees are not included in the selling price of our products. Rather, commission fees are paid separately to our sales partners for services rendered and are recognized as selling and marketing expenses in our consolidated statements of profit and loss. According to our agreements with sales partners, our commission rates with sales partners typically are below 5%, which is in line with industry average, according to Frost & Sullivan. For further details, see "Financial Information — Review of Historical Results of Operations — Selling and Marketing Expenses."

Difference between business model with sales agents and with our sales partner

We consider that our sales partners are not sales agents. The differences between sales partners and sales agents are outlined below:

- ***Nature of service provided and collaboration.*** Our sales partners are primarily responsible for market development and service support, facilitating introductions and interactions between the Company and potential customers. Unlike sales agents, our sales partners do not have the authority to negotiate or enter into legally binding contracts on behalf of us.

- ***Privity of contract.*** Under business model with our sales partners, the ultimate sales contracts are entered into directly between us and the end customers. Sales partners are not parties to these contracts and do not act as intermediaries in legal agreements.

- ***Role in sales execution.*** Our sales partners have limited involvement in sales execution and their role is to support market development, rather than directly executing sales transactions as in the case of sales agents.

- ***Revenue recognition and risk transfer.*** Our sales partners do not hold inventory, do not bear inventory risk, and do not engage in the direct resale of our products. Revenue is recognized directly between us and the end customer.

Principal Contractual Terms with Sales Partners

We typically enter into commission fee agreements with our sales partners, defining the responsibilities of each party. The salient terms of our commission fee agreements with sales partners are as follows:

- ***Term and termination.*** We generally enter into commission fee agreements without a fixed term. Either party may terminate the agreement at any time, with or without cause, by written notice.

- ***Roles and responsibilities.*** Sales partners are responsible for initiating business opportunities, facilitating contract signing and execution, facilitating direct sales customer relationship maintenance, collecting receivables, and supporting acceptance of our standard terms.

- ***Commission.*** Commissions are determined based on commission rates and agreed selling price between us and the direct sales customers. Commissions are paid to sales partners after end customers have settled the sales invoices with us.

- ***Sales target.*** We do not impose sales target or minimum purchase obligations on sales partners.

- ***Confidentiality.*** Sales partners generally maintain strict confidentiality of all proprietary and confidential information obtained under the agreement.

OUR CUSTOMERS

During the Track Record Period, our customers consisted of (i) direct sales customers, primarily consisting of (a) end product brands and (b) EMS providers, (ii) trading partners, and (iii) PCB manufacturers. In each year/period of the Track Record Period, our five largest customers together generated RMB1,533.6 million, RMB1,756.7 million, RMB2,291.9 million and RMB2,270.7 million in revenues, respectively, accounting for 63.6%, 65.6%, 61.4% and 59.3% of our total revenue, respectively. In addition, revenue generated from our largest customer accounted for 26.5%, 26.6%, 24.6% and 18.0% of our total revenues in each year/period of the Track Record Period, respectively. All of our five largest customers were Independent Third Parties during the Track Record Period.

To the best of our knowledge and as of the Latest Practicable Date, we were not aware of any information or arrangement that would lead to the termination of our relationships with any of our major customers. Our Directors are of the view that, we are not subject to any material end-customer or industry concentration that would have a material adverse impact on our business operation and financial performance. None of our Directors and their respective associates, or Shareholders who own 5% or more of the total issued Shares had any interest in any of our five largest customers during the Track Record Period.

The following table sets forth the details of our five largest customers in each period during the Track Record Period:

Rank	Customer	Type of Customer	Sales Amount	Percentage of total revenue	Type of product purchased	Credit terms	Year of commencement of business relationship
			(RMB'000)	*(%)*			
For year ended December 31, 2022							
1	Customer A[(1)]	Direct sales customer	639,883	26.5	PCBs	90 days	2016
2	Customer B[(2)]	Direct sales customer	395,415	16.5	PCBs	90 or 120 days	2016
3	Customer C[(3)]	Direct sales customer	177,207	7.3	PCBs	120 days	2017
4	Customer D[(4)]	Direct sales customer	176,727	7.3	PCBs	120 days	2017
5	Customer E[(5)]	Direct sales customer	144,324	6.0	PCBs	90 days	2016

Notes:

(1) A private technology company headquartered in Singapore, which principally engages in the development and sales of personal computers.

(2) A public company headquartered in Taiwan, which principally engages in the development, manufacture and sales of computers, communication and consumer electronics products components.

(3) A public company headquartered in Taiwan, which principally engages in the manufacture and sales of servers and personal computers.

(4) A public company headquartered in Taiwan, which principally engages in the development and manufacture of servers, personal computers and mobile devices.

(5) A public company headquartered in the Chinese Mainland, which principally engages in the research and development of cloud computing, datacenters and servers.

Rank	Customer	Type of Customer	Sales Amount	Percentage of total revenue	Type of product purchased	Credit terms	Year of commencement of business relationship
			(RMB'000)	*(%)*			
For year ended December 31, 2023							
1	Customer A	Direct sales customer	713,563	26.6	PCBs	90 days	2016
2	Customer B	Direct sales customer	533,268	20.0	PCBs	90 or 120 days	2016
3	Customer D	Direct sales customer	196,113	7.3	PCBs	120 days	2017
4	Customer C	Direct sales customer	165,691	6.2	PCBs	120 days	2017
5	Customer E	Direct sales customer	148,056	5.5	PCBs	90 days	2016

Rank	Customer	Type of Customer	Sales Amount	Percentage of total revenue	Type of product purchased	Credit terms	Year of commencement of business relationship
			(RMB'000)	*(%)*			
For year ended December 31, 2024							
1	Customer A	Direct sales customer	918,963	24.6	PCBs	90 days	2016
2	Customer B	Direct sales customer	607,612	16.3	PCBs	90 or 120 days	2016
3	Customer C	Direct sales customer	354,856	9.5	PCBs	120 days	2017
4	Customer E	Direct sales customer	253,060	6.8	PCBs	90 days	2016
5	Customer D	Direct sales customer	157,451	4.2	PCBs	120 days	2017

Rank	Customer	Type of Customers	Sales Amount	Percentage of total revenue	Type of product purchased	Credit terms	Year of commencement of business relationship
			(RMB'000)	*(%)*			
For the nine months ended September 30, 2025							
1	Customer A	Direct sales customer	688,960	18.0	PCBs	90 days	2016
2	Customer B	Direct sales customer	666,469	17.4	PCBs	90 or 120 days	2016
3	Customer E	Direct sales customer	310,311	8.1	PCBs	90 days	2016
4	Customer D	Direct sales customer	309,775	8.1	PCBs	120 days	2017
5	Customer C	Direct sales customer	295,170	7.7	PCBs	120 days	2017

OUR SUPPLY CHAIN

Raw Materials

Our key raw materials primarily include CCL, prepregs, copper foils, copper spheres, gold salts and dry films, which we source mainly from suppliers in the Chinese Mainland. During the Track Record Period and up to the Latest Practicable Date, we did not experience any significant shortage of raw material supplies, and the raw materials provided by our suppliers did not have any significant quality issues.

Our Suppliers

Supplier Selection and Management

We carefully select and engage reputable suppliers to ensure the quality of our products. We manage our suppliers to ensure quality standards, supply reliability and compliance with our requirements. When selecting suppliers, we typically consider various criteria, including product quality, production capability, proven track record, market reputation and price competitiveness. In addition, we implement measures to continuously monitor and evaluate suppliers' performance based on their delivery timeliness, quality consistency and responsiveness to our requirements. See "— Quality Control" for further details.

We generally enter into framework agreements with our key suppliers, which set forth the general terms and conditions of purchase. Set forth below are salient terms of our framework agreements:

- ***Term and termination.*** We generally enter into framework agreements with our suppliers without a fixed term, which may be terminated by our suppliers or us upon prior written notice.

- ***Product specifications.*** We generally specify quantity, price, specification, delivery timeline and other detailed contractual terms in the purchase orders we send to our suppliers.

- ***Pricing and Payment.*** We generally provide for payments based on mutually agreed prices specified in the purchase order. We are generally granted a credit period of 90 days for the payments.

- ***Delivery and logistics.*** Our suppliers are typically responsible for the delivery of products to our specified locations in the purchase order.

- ***Risk transfer.*** The risk transfers to us upon our acceptance after inspection of the products received. Suppliers are required to indemnify us from any losses, damages, or liabilities arising from quality defects discovered during usage, provided that such defects are determined to be attributable to the suppliers.

- ***Product warranty and returns.*** We are generally granted a warranty period of at least one year. We are entitled to reject, replace or return products which fail to conform to the quantity, quality or specifications as provided in the purchase order.

Our Major Suppliers

Our major suppliers primarily consist of providers of raw materials critical to our PCB production. In each year/period of the Track Record Period, purchase amount from our five largest suppliers was RMB668.3 million, RMB766.0 million, RMB1,222.3 million and RMB1,325.9 million, representing 53.7%, 58.2%, 63.1% and 59.8% of our total purchase amount, respectively. In addition, purchases from our largest supplier accounted for 29.0%, 25.6%, 22.1% and 19.8% of our total purchases in each year/period of the Track Record Period, respectively. All of our five largest suppliers were Independent Third Parties during the Track Record Period.

None of our Directors and their respective associates or our Shareholders who hold more than 5% of our total issued Shares had any interest in our five largest suppliers during the Track Record Period. Additionally, we did not experience any material disputes with our suppliers during the Track Record Period.

The following table sets forth the details of our five largest suppliers in each period during the Track Record Period:

Rank	Supplier	Purchase Amount	Percentage of total purchase amount	Type of product provided	Credit terms	Year of commencement of business relationship
		(RMB'000)	*(%)*			
For year ended December 31, 2022						
1	Supplier A[(1)]	361,336	29.0	CCL, Prepreg	90 days	2010
2	Supplier B[(2)]	90,996	7.3	CCL, Prepreg	120 days	2006
3	Supplier C[(3)]	84,130	6.8	CCL, Prepreg, Copper foils	90 days	2009
4	Supplier D[(4)]	74,531	6.0	CCL, Prepreg	90 days	2013
5	Supplier E[(5)]	57,350	4.6	CCL, Prepreg	90 days	2013

Notes:

(1) A public company incorporated in Taiwan, specialized in the production of CCL and PCB materials.

(2) A public company incorporated in Taiwan, engaged in the production and sales of CCL, prepregs, and high-frequency laminates.

(3) A private company incorporated in Hong Kong, engaged in the sales of plastic products.

(4) A public company incorporated in the Chinese Mainland, which principally engages in the production and sales of CCL, fiberglass prepreg and flexible laminates.

(5) A private company incorporated in the Chinese Mainland, engaged in the production and sales of CCL, prepregs and flexible laminates.

Rank	Supplier	Purchase Amount	Percentage of total purchase	Type of product provided	Credit terms	Year of commencement of business relationship
		(RMB'000)	*(%)*			
For year ended December 31, 2023						
1	Supplier A	336,599	25.6	CCL, Prepreg	90 days	2010
2	Supplier B	134,814	10.2	CCL, Prepreg	120 days	2006
3	Supplier E	123,016	9.3	CCL, Prepreg	90 days	2013
4	Supplier D	97,226	7.4	CCL, Prepreg	90 days	2013
5	Supplier C	74,298	5.7	CCL, Prepreg, Copper foils	90 days	2009

Rank	Supplier	Purchase Amount	Percentage of total purchase	Type of product provided	Credit terms	Year of commencement of business relationship
		(RMB'000)	*(%)*			
For year ended December 31, 2024						
1	Supplier A	427,974	22.1	CCL, Prepreg	90 days	2010
2	Supplier E	268,872	13.8	CCL, Prepreg	90 days	2013
3	Supplier B	222,482	11.5	CCL, Prepreg	90 or 120 days	2006
4	Supplier D	194,974	10.1	CCL, Prepreg	90 days	2013
5	Supplier C	107,994	5.6	CCL, Prepreg, Copper foils	90 days	2009

Rank	Supplier	Purchase Amount	Percentage of Total Purchase	Type of product provided	Credit terms	Year of commencement of business relationship
		(RMB'000)	*(%)*			
For the nine months ended September 30, 2025						
1	Supplier A	438,179	19.8	CCL, Prepreg	90 days	2010
2	Supplier E	354,858	16.0	CCL, Prepreg, copper foils	90 days	2009
3	Supplier D	243,830	11.0	CCL, Prepreg	90 or 105 days	2013
4	Supplier B	194,985	8.8	CCL, Prepreg	90 or 120 days	2006
5	Supplier C	94,075	4.2	CCL, Prepreg	90 days	2013

RECENT REGULATION IN RELATION TO TARIFFS

Tariff Policies

In early 2025, the U.S. government initiated a series of escalating tariffs and trade policies primarily targeting China, leading to retaliatory measures from China. As a result, during the Track Record Period, the additional tariffs imposed by the U.S. on imports from China peaked at 145%, while the additional tariffs imposed by China on U.S. imports peaked at 140%. As of the Latest Practicable Date, the reciprocal tariffs and fentanyl-related tariffs imposed on imports from China has been terminated.

Impact Assessment

Export

On export side, we do not expect the recent U.S.-China tension on tariffs would have a material adverse effect on our business and financial conditions for the following reasons:

Limited direct sales to the U.S. Generally, our PCB products are not subject to trade tariffs or export sanctions, except in cases where our PCB products are sold directly to the U.S. In relation to direct sales to the U.S., such sales are limited to small quantities of samples or certification PCBs, which do not involve large-scale commercial shipments.

Tariff bore by our customers. Within the limited cases where we sells samples or certification PCBs directly to the U.S., the responsibility for import clearance and payment of import tariffs lies with our customers based on the international commercial terms agreed under our sales agreement with our customers. We typically do not handle the import duties for these transactions. In addition, under such arrangements, we are not liable for trade tariffs related to customers' export products that incorporated our PCBs to the U.S.

Insignificant revenue from direct sales to U.S. The revenue contribution of our products directly exported to the U.S. was relatively low and insignificant during the Track Record Period. In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, the revenue generated from our products directly exported to the U.S. was RMB29.0 million, RMB7.9 million, RMB4.6 million, RMB3.2 million and RMB4.4 million, respectively, representing approximately 1.2%, 0.3%, 0.1%, 0.1% and 0.1% of our revenue for the same periods, respectively.

Given the tariff arrangements and that the revenue contribution from products directly exported to the U.S. during the Track Record Period was limited, even if our PCBs are subject to higher U.S. tariffs due to regulatory changes in the future, we believe that it would not result in a material and adverse change in our business and result of operations as a whole.

Import

On import side, we believe that the tariffs imposed by China on imports of U.S. origin would not have a material and adverse impact on our business and results of operations, for the following reasons:

Primarily sourced from the Chinese Mainland. We primarily procure key raw materials for production of its PCBs, including CCLs, prepregs, copper foil, copper balls, gold salts, and dry films, from qualified suppliers in the Chinese Mainland.

Limited procurement of raw materials of U.S. origins. While some sourced raw materials are of U.S. origins, these raw materials represented an insignificant proportion of our total purchase during the Track Record Period. In 2022, 2023, 2024, and the nine months ended September 30, 2024 and 2025, our purchase amount of raw materials of U.S. origin, was nil, RMB0.002 million, RMB0.07 million, RMB0.05 million and RMB0.004 million, respectively, representing nil, 0.0002%, 0.0034%, 0.0035% and 0.0002% of our total purchase in the same periods, respectively.

Limited import tariffs incurred. During the Track Record Period and up to the Latest Practicable Date, the key raw materials of U.S. origin that we procured, including certain prepregs and CCLs, were subject to limited tariffs imposed by China. In 2022, 2023, 2024 and the nine months ended September 30, 2025, the import tariffs imposed by China we incurred amounted to nil, nil, nil and nil, respectively.

No violation of U.S. export control regulations. As advised by our legal advisors as to U.S. export control, while certain raw materials of U.S. origin are subject to the U.S. export control restrictions, we believe that our procurement of raw materials of U.S. origin did not violate U.S. export control regulations.

Our Directors, as advised by legal advisor as to the U.S. tariffs, are of the view that the Group's tariff liabilities are generally limited when the customers re-export into the U.S., considering that (a) the liability for U.S. tariffs generally falls on the importer of record in the U.S.; and (b) during the Track Record Period, the Group had not experienced any material adverse changes in order volume, price, customer payment or logistics arrangements, nor have the Group received any requests from customers to renegotiate the sales agreement, cancel orders or suspend delivery of products because of the imposition of the U.S. tariffs.

INFORMATION SECURITY AND DATA PRIVACY

We recognize that the confidentiality, integrity and availability of our data are essential to our operations. We strictly adhere to evolving data security and privacy laws and regulations, ensuring that our business and transaction data is managed with the highest standards, including Cybersecurity Law of the People's Republic of China (《中華人民共和國網絡安全法》), and Information Security Technology Personal Information Security Code (《信息安全技術個人信息安全規範》).

Data Collection. We primarily collect, process, and store data related to production, manufacturing, and inventory management during our ordinary course of business operations. We do not collect personal information.

Data Transmission. We do not engage in cross-border transmission of users' data. All data from our production bases in the Chinese Mainland is stored domestically in the Chinese Mainland. For our Thai production base, production site data is stored locally in Thailand, while operational and business data is stored in the Chinese Mainland. Access to such data is managed via secure connections with controlled permissions, ensuring that the Thai production base can only access its own data. We do not share or transfer data collected by it to any third party without prior explicit consent. Without explicit consent, we prohibit disclosing collected data to any third party unless mandated by a court or administrative order.

Data Protection

To ensure the protection of our data and maintain the confidentiality of sensitive information, we have implemented a robust set of security measures designed to prevent unauthorized access and mitigate potential risks: (i) data encryption. We employ advanced encryption technologies to secure sensitive business data both at rest and during transmission, preventing unauthorized access and reducing the risk of data breaches; (ii) access control. Access to our data is strictly regulated, with permissions granted only to authorized employees based on their roles and responsibilities. Sensitive information is accessible only to those with the appropriate clearance, ensuring secure data handling; (iii) physical access control. Entry to our facilities and networks is limited to authorized personnel. Visitors must sign in upon arrival, and access to secure areas is tightly controlled, requiring prior approval; and (iv) employee training. We provide ongoing data privacy and security training to all employees, ensuring compliance with data protection policies and enhancing awareness of how to securely handle sensitive information.

Information Security Framework

We established internal policies and a series of procedures for effective information and cybersecurity management. Key of these internal policies and procedures include (i) network security, in which we employ firewalls, antivirus software and intrusion detection systems to protect our network infrastructure from external threats. Our network architecture features dual-link redundancy to ensure stable and secure information transmission, (ii) data protection and privacy, in which we maintain a set of protocols for data handling and storage, including encryption, access controls and regular data backups, (iii) security audits and testing, in which we perform routine cybersecurity penetration testing and vulnerability assessment to evaluate the robustness of our system, (iv) employee training, in which we provide regular training programs to enhance overall security awareness, and (v) disaster recovery plan, in which we develop a disaster plan to ensure recovery of critical IT systems and data. During the Track Record Period, we did not experience any breach of confidential information of customers or any other customer information related incidents which could cause a material adverse effect on our business, financial condition or results of operations. As advised by our PRC Legal Advisor, we complied with the applicable laws and regulations in the PRC in relation to data privacy, cybersecurity and personal data protection during the Track Record Period and up to the Latest Practicable Date.

COMPETITION

We operate in a competitive and technology-intensive industry, where global customers demand more advanced, higher-reliability and application-specific PCBs. We compete with global players engaged in the R&D and manufacturing of PCBs, especially high-layer-count PCBs and high level HDI PCBs for computing applications. According to Frost & Sullivan, Chinese computing application PCB manufacturers have established a strong foothold in the global market. Manufacturers from Taiwan and the Chinese Mainland occupy the leading position in the global high performance server PCB industry. There is intense local competition among PRC PCB manufacturers, and each manufacturer has its own differentiated competitive strategy. See "Industry Overview" for further details.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We believe that Environmental, Social and Governance (ESG) considerations are essential for our long-term sustainable development. We continuously strive to strengthen our ESG governance framework, enhance our ESG practices and performance and contribute positively to community and societal well-being through various ESG initiatives.

ESG Governance Structure

We have integrated ESG considerations into our overall strategy, long-term planning, key decision-making processes and daily operations. Our ESG governance framework is organized with a three-tier structure of strategy and ESG committee, ESG office and execution level departments across the Group that implement our ESG targets. Through this structured governance framework, we are committed to embedding sustainability into our business operations, fostering long-term value creation and ensuring our stable and responsible growth.

ESG Risk Management and Strategy

We recognize the significance of ESG matters on our business strategy, financial performance and operations. To proactively manage these factors, we have embedded ESG considerations within our risk management framework by establishing our risk management procedures. This ensures ongoing identification, evaluation and management of ESG risks and opportunities.

We conduct risk identification and evaluate material ESG risk on an annual basis. Relevant findings are documented in our Risk and Opportunity Identification, Evaluation and Countermeasures Follow-Up List (風險和機遇識別評價和對策跟進表), in which risks are categorized into strategic, market, operational, financial, credit, reputation compliance and ESG risks with clearly designated management leads. We have identified the following ESG risks that we consider material and the mitigation measures taken by us to address these risks: (i) climate change, including floods, typhoons, storms and other extreme weather conditions and natural disasters may cause price volatility of raw materials, fluctuations in supply and physical damage to our factories and offices, and (ii) transition risks, including policy risks, technology risks and market risks associated with the transition to a low-carbon economy and shifting customer demands to low-carbon products, especially in areas like AI servers, datacenters and new energy vehicles.

Environmental Protection

We adhere to environmental regulations while optimizing resource conservation, recycling and waste reduction efforts. Our green operations focus on land intensification, safe raw material processing, clean production, waste recycling and low-carbon energy use. In 2024, the Ministry of Industry and Information Technology recognized us as a "National-Level Green Factory," validating our sustainable approach. We also ensure compliance with local environmental laws by maintaining up-to-date permits and ISO14001 certifications, supporting continuous improvement in our environmental and energy management systems.

Water Management

As PCB manufacturing is a water-intensive industry, we have enhanced our water resource management in 2024 through a structured risk framework. We assess water-related risks at key production sites using internationally recognized tools and implement corresponding control measures and annual water-saving targets. To optimize water use, we have deployed smart water-saving technologies and expanded water recycling initiatives. In 2024, we introduced a smart water-saving system, incorporating ultrasonic flow meters, variable-speed ball valves, and multi-sensor integration. This system enables real-time data transmission and remote control, dynamically adjusting water flow to reduce consumption while maintaining product quality. Additionally, we have advanced our water recycling efforts by improving the reuse rate of wet process water. In 2024, our Guangzhou base achieved a total recycled water usage of 34.6 million tons and saved 191,000 tons of water. These measures have contributed to a year-on-year reduction in water consumption intensity and an increase in recycled water usage to approximately 97% in 2024.

Waste Management

We have adopted comprehensive green management practices across our operations, from material sourcing to waste disposal. In 2024, our Guangzhou plants were recognized as a "Zero Waste Factory" under local government programs. We improve process efficiency and waste recycling by introducing advanced recovery technologies, including copper and tin reclamation systems, and implemented solutions to reduce hazardous waste generation. For copper reclamation, we employ an online recovery technology that extracts copper from the waste liquid through electrolytic extraction, turning it into metallic copper plates. The residual water is then treated and recycled back into the production line, achieving circular utilization. In 2024, we successfully recovered 87.4 tons of electrolytic copper, saved 324 tons of chemicals, and reduced water consumption by 300 tons. For tin reclamation, we have innovated beyond traditional external disposal practices by using online recovery technology to extract tin from waste liquids, transforming it into tin mud cakes. These initiatives help achieve a waste recycling rate of 97% in 2024 and support resource utilization across the supply chain.

Energy Management

We continue to enhance energy efficiency while supporting the transition to low-carbon operations. In 2024, we expanded the use of renewable energy through distributed photovoltaics and green power procurement, with renewable energy accounting for approximately 20% of our total electricity consumption. We also implement multiple energy-saving projects, including equipment retrofits and process upgrades, contributing to an annual reduction of over 4,600 tons of CO_2 equivalent emissions. In addition, our energy storage systems and central energy-saving devices have significantly improved overall energy utilization and reduced operating costs.

Green Production

We focus on optimizing production processes to enhance energy efficiency and reduce operational costs. Through continuous improvements in energy use and equipment optimization, we have implemented refined energy management practices across production workflows. Notably, we adopted high-temperature heat pump technology in tunnel ovens to increase energy efficiency by utilizing air as a heat source for preheating. In 2024, this initiative resulted in an annual electricity savings of approximately 500,000 kWh, reducing carbon emissions by approximately 456 tons of CO_2e. Additionally, we upgraded our vacuum systems, converting multiple vacuum generators to a centralized vacuum system, achieving a reduction of 1,367 vacuum generators and an annual electricity savings of 934,000 kWh, which corresponds to a reduction of 688 tons of CO_2e in 2024. To further support sustainable manufacturing, we also advance smart manufacturing capabilities, driven by AI and IoT technologies. These initiatives enable a more efficient, precise, and reliable manufacturing process while contributing to our sustainability goals.

Supply Chain Management

We actively work to strengthen relationships with our suppliers by providing them with resources and training to improve their management capabilities and technical skills. By fostering long-term, collaborative partnerships, we aim to drive mutual growth, innovation, and sustainable practices, ensuring the continuous improvement of the entire supply chain. We have implemented a "Sustainable Procurement Policy" that ensures procurement activities are conducted in a manner that considers environmental impact, social responsibility, and business ethics. Our procurement team is regularly trained on compliance and anti-corruption standards, with incentives aligned to encourage responsible and sustainable procurement practices, promoting fairness and transparency in all transactions.

Anti-bribery and Anti-corruption Policies

We have established and implemented a comprehensive set of anti-corruption and anti-bribery policies, including the "Anti-Corruption Policy," "Anti-Bribery Management System," and "Anti-Bribery Whistleblowing Management System," which provide a solid institutional foundation for anti-bribery management across the company. Our approach includes risk identification and assessment through internal audits and employee reports, alongside preventive measures such as strengthened internal controls, an effective whistleblowing system, and mandatory anti-corruption training for all employees. During the Track Record Period and up to the latest Latest Practicable Date, there were no incidents of bribery or corruption identified within our Group. We also regularly review and update our policies to adapt to evolving regulatory requirements, ensuring that our anti-bribery and anti-corruption efforts remain robust and aligned with global best practices.

Metrics and Target

During the Track Record Period, we experienced significant increases in greenhouse gas emission, water consumption and electricity consumption, as a result of our business expansion and additional production facilities. The following table sets forth metrics on our greenhouse gas emission, electricity and water consumption during the Track Record Period:

	Year ended December 31,			Nine months ended September 30,
	2022	2023	2024	2025
Total greenhouse gas emission (tCO_2e)[1]	207,340	282,488	322,639	319,661
– Scope 1 (tCO_2e)[2]	3,962	10,724	17,942	15,839
– Scope 2 (tCO_2e)[3]	79,659	87,208	100,682	96,975
– Scope 3 (tCO_2e)	123,720	184,557	201,461	206,847
Water consumption (tons)	1,006,549	1,293,709	1,778,333	1,761,904
Electricity consumption (kWh)	130,031,525	147,139,255	187,325,382	189,481,263

Notes:

(1) tCO_2e refers to tons of carbon dioxide equivalent and is the standard unit for measuring carbon footprint.

(2) Scope 1 emissions refer to direct emissions from operations that are owned or controlled by our Group.

(3) Scope 2 emissions refer to energy indirect emissions resulting from the generation of purchase or acquired electricity, heating, cooling and steam consumed within our Group.

We are committed to implementing green and energy-saving practices and improving energy efficiency. The following sets forth our short-to-long term targets for energy saving and carbon reduction, our planned measures for achieving the targets, as well as various potential impacts on our business and operations:

Target Area	Milestone	Target
Renewable Electricity	By 2036	50%
	By 2050	100%
Carbon reduction in operations	N/A	Year-on-year reduction in carbon emission intensity by 3.5%
	By 2028	Carbon emission peak
	By 2030	36.98% carbon reduction
	By 2056	Net-zero carbon emissions
Water consumption per unit output	N/A	Year-on-year reduction by 3.5%
Recycled water	By 2030	92%
	By 2050	96%

Social Responsibility

We are committed to upholding our corporate social responsibilities and strive to act as a responsible corporate citizen. Recognizing the scale and influence of our operations, we endeavor to promote inclusive development and contribute positively to the communities in which we operate. We actively support socially responsible initiatives and integrate the concept of corporate social responsibility across all levels of our operations.

Equal opportunity. We are committed to fostering a diverse and inclusive workplace. Recruitment decisions are made solely based on role requirements, without regard to age, gender, disability, race, marital status, religion or sexual orientation. As part of our diversity efforts, we have employed 26 individuals with disabilities and provide them with accessible facilities, tailored training programs and clear career development pathways.

Employee Well-being. We maintain open and transparent communication channels to gather and respond to employee feedback. These include a formal Complaint, Appeal and Feedback Management Procedure and quarterly employee satisfaction surveys. In 2024, we processed and addressed several employee complaints through this system, contributing to the continued improvement of our working environment.

Occupational Health and Safety

Occupational health and safety is our top priority. We have established and maintained an ISO 45001-certified occupational health and safety management system. A dedicated Safety Committee is responsible for overseeing implementation of key policies, including Safety Production Management, Emergency Response and Occupational Hazard Control. Our safety protocols include daily site patrols, monthly inspections by senior management, and triennial assessments of occupational health risks. As a result of these efforts, we recorded no incidents of fire or occupational disease in 2024.

EMPLOYEES

As of September 30, 2025, we had a total of 4,764 full-time employees. The vast majority of our employees were based in China during the Track Record Period and up to the Latest Practicable Date. The table sets forth a breakdown of our employees by function as of September 30, 2025:

Function	Number	Percentage of Total Number
Technical[1]	824	17.3%
Sales and marketing	91	1.9%
Production	3,543	74.4%
Administrative	306	6.4%
Total	**4,764**	**100.0%**

Note:

(1) including 406 R&D staff

We enter into standard employment agreements with our employees to cover matters regarding confidentiality, intellectual property, employment, commercial ethics and noncompetition, in particular, the noncompetition provision and confidentiality provision are effective during and after their employment with us. We believe that we maintain good working relationships with our employees, and we had not experienced any material labor disputes, strikes, protests or any difficulty in recruiting staff for our operations during the Track Record Period and up to the Latest Practicable Date.

During the Track Record Period, we engaged certain dispatched workers from third-party employment agencies. Pursuant to the Labor Contract Law and its amendments, dispatched workers may only be engaged for temporary, ancillary or substitute positions. The Interim Provisions on Labor Dispatch, which became effective on March 1, 2014, further provides that the number of dispatched workers an employer may use must not exceed 10% of its total labor force. During the Track Record Period, the number of dispatched workers we engaged did not exceed 10% of our total labor force.

Social Insurance and Housing Provident Funds

As required by applicable laws and regulations, we participate in various government statutory employee benefit plans, including social insurance plans, namely pension, medical, unemployment, work-related injury and maternity insurance plans, and housing provident funds.

Background and reasons for non-compliance

During the Track Record Period, we did not make full contributions to social insurance and housing provident fund for our employees as required by the relevant PRC laws and regulations. In addition, we did not commenced contributions to housing provident fund for our employees within 30 days of employment commencement as required by PRC regulations. The shortfall of social insurance and housing provident fund contributions amounted to approximately RMB27.9 million, RMB32.0 million, RMB36.4 million and RMB40.6 million in 2022, 2023, 2024 and the nine months ended September 30, 2025, respectively.

We were unable to make full social insurance and housing provident fund contributions for the relevant employee, primarily due to (i) employees' unwillingness, as certain of our employees were not willing to bear the costs associated with social insurance and housing provident funds strictly in proportion to their salaries, and (ii) employees' preference for participation in places of residency, as certain of our employees chose to participate in local welfare schemes offered in their place of residency, instead of in the social welfare schemes of the city where they temporarily reside.

Potential Legal Consequences

As advised by our PRC Legal Advisor, pursuant to applicable PRC laws and regulations, if an employer fails to make social insurance contributions in full, the relevant authorities could order the employer to pay, within a prescribed time limit, the outstanding amount with an additional late payment penalty at the daily rate of 0.05%, and if the employer fails to make the overdue contributions within such time limit, a fine equal to one to three times the outstanding amount may be imposed. Additionally, pursuant to applicable PRC laws and regulations, if an employer is overdue in the payment and deposit of, or underpays, the housing provident fund, the relevant authority could order the employer to make the payment and deposit within a prescribed time limit and, failing which, an application may be made to a court in China for compulsory enforcement. Pursuant to the Urgent Notice on Enforcing the Requirement of the General Meeting of the State Council and Stabilizing the Levy of Social Insurance Payment (《關於貫徹落實國務院常務會議精神切實做好穩定社保費徵收工作的緊急通知》) promulgated on September 21, 2018 by the Ministry of Human Resources and Social Security, human resources and social security authorities are prohibited from organizing and conducting centralized collection of enterprises' historical social insurance underpayments.

As of the Latest Practicable Date, considering that (i) we had obtained written confirmations from local social insurance and housing provident fund authorities, which confirmed that (a) no violation of laws and regulations in relation to labor by us was found, and (b) we had been subject to no penalties related to social insurance or housing provident fund during the Track Record Period, (ii) we were not aware of any plans by the relevant tax authorities or regulatory bodies to conduct a comprehensive recovery or impose penalties to make the outstanding shortfall, (iii) if we are required to make such payments, we will promptly settle the outstanding shortfall in social insurance and the housing provident fund, and (iv) the Ministry of Human Resources and Social Security and the State Administration of Taxation have strictly prohibited the centralized collection of historical shortfalls for social insurance and housing provident fund contributions and Supreme People's Court's Interpretation (II) on Several Issues Concerning the Application of Law in Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》) (the "**Interpretation**"), which took effect on September 1, 2025, in the absence of material employee complaint, our PRC Legal Advisor is of the view that, under the premise that there are no significant changes to current PRC policies and regulations or to the enforcement and supervision requirements of local governments, the likelihood that we would be subject to material administrative penalties due to our failure to provide full social insurance and housing provident fund contributions is remote.

As of the Latest Practicable Date, we had not received any notification from the relevant PRC authorities requiring us to pay any shortfall with respect to social insurance and housing provident funds or imposing any administrative penalties on us, nor were we were informed with or aware of any material employee complaints or involved in any material labor disputes with our employees with respect to social insurance and housing provident fund contributions. Pursuant to the Article 19(1) of the Interpretation, if an employer and an employee agree or the employee commits that social insurance contributions are not required to be paid, the People's Court shall deem such agreement or commitment invalid, and where an employer fails to pay social insurance contributions, and the employee requests to terminate the labor contract and claims economic compensation from the employer in accordance with the PRC Labor Contract Law, the People's Court shall support such claims. For further details, see "Regulatory Overview — Regulations on Employment, Social Insurance and Housing Provident Fund."

Considering that (i) we and the relevant employees have never signed any agreement which stipulates that no payment of social insurance would be required to be made by us; (ii) no employee has brought a lawsuit or arbitration against us in respect of payment of social insurance as of the Latest Practicable Date; (iii) the Interpretation will not influence the assessment of any contribution shortfalls or increase our exposure to penalties, because we had not received any notifications from the relevant government authorities requiring payment of shortfalls or overdue charges for social insurance or housing provident funds in full during the Track Record Period and up to the Latest Practicable Date; and (iv) any shortfall in social insurance and housing provident fund contributions, regardless of the reason (including cases resulting from employees' preference or election), has been included in our shortfall calculation, our Directors are of the view that the implementation of the Interpretation would not have a material adverse effect on our business operations, financial condition or results of operations. Our PRC Legal Advisor is of the view that the risk that we would be subject to material administrative penalties resulting from the new implementation is remote, primarily because (i) the Interpretation does not expand our penalty exposure; (ii) the Interpretation does not repeal the social insurance laws and regulations currently in force in the PRC; and (iii) as of the Latest Practicable Date, no employee has brought a lawsuit or arbitration against our Group in respect of social insurance payments, and accordingly, we do not have pending litigation or arbitration governed by or subject to the Interpretation.

As such, we have not made provisions for the shortfalls of contributions to the social insurance and housing provident funds during the Track Record Period. In view of the above, the potential maximum penalty with respect to fines that we may be exposed to due to shortfall of social insurance contributions during the Track Record Period would be approximately RMB57.7 million, RMB70.0 million, RMB80.4 million and RMB94.6 million in 2022, 2023, 2024 and the nine months ended September 30, 2025, respectively. In addition, in the case that if the relevant authority makes an application to relevant courts for enforcement, the amount of maximum potential enforcement due to shortfall of housing provident fund contributions during the Track Record Period would be approximately RMB8.6 million, RMB8.7 million, RMB9.6 million and RMB9.0 million in 2022, 2023, 2024 and the nine months ended September 30, 2025, respectively.

Internal control and remedial measures

We plan to implement enhanced internal control measures including (i) human resources management policies, in which we will enhance relevant policies to require that social insurance and housing provident fund contributions are made in full compliance with applicable local laws and regulations, (ii) employee training to enhance awareness, (iii) monitoring and supervision, in which we will establish a dedicated internal control team to oversea ongoing compliance with social insurance and housing provident contribution requirements, (iv) legal and regulatory consultation, in which we will regularly consult with legal counsel to obtain guidance on the latest development of applicable laws and regulations, and (v) employee communication, in which we will actively engage with employees to ensure they understand the important of full participation in social insurance and housing provident contributions.

Latest Status

During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any material noncompliance incidents in relation to social insurance and housing provident funds that have led to fines, enforcement actions or other penalties that could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations.

We undertake to make full contributions of social insurance and housing provident funds in accordance with relevant PRC laws and regulations as soon as practicable, subject to the cooperation of our employees in making full contributions. Additionally, if relevant authorities order us to fully contribute to the social insurance and/or housing provident funds going forward, we undertake to make full contributions and/or make such rectification measures promptly within the specified period.

INSURANCE

We maintain insurance coverage over our daily operations. Our insurance policies primarily include employee-related insurance, property all-risk insurance, transportation insurance and credit insurance. We review our insurance policies periodically to ensure compliance with the statutory PRC laws and regulations. We believe that our existing insurance coverage is adequate for our business operation and is in line with industry standards in the countries where we operate. During the Track Record Period, we were not subject to any material claim of insurance.

CROSS-BORDER INTRA-GROUP TRANSACTIONS

Overview

In our ordinary course of business, we engaged in certain cross-border intra-group transactions among our entities in the Chinese Mainland and Hong Kong. During the Track Record Period, our intra-group transactions primarily involve (i) intra-group sales of tangible assets, including sales of raw materials, production equipment and finished products, (ii) intra group provision of processing services and (ii) intra-group financing arrangements. In 2022, 2023 and 2024, and the nine months ended September 30, 2025, the amount of intra-group transactions were RMB1,743.0 million, RMB2,078.2 million, RMB3,038.8 million and RMB3,194.9 million, respectively.

Our pricing structure varies based on the type of transactions. For sales of products to Delton International in Hong Kong, products are procured from our manufacturing entities in the Chinese Mainland at a price that allows Delton International to retain a portion of the overall gross margin, which is used to cover its essential operational and selling expenses. The Company was accredited as a High and New Technology Enterprise in 2020 and, as a result, was entitled to a preferential corporate income tax rate of 15% during the Track Record Period. Huangshi Delton was similarly accredited in 2023 and qualified for the same preferential tax rate of 15% for the years ended December 31, 2023 and 2024. Delton International is subject to the two-tiered profits tax regime in Hong Kong, under which the first HK$2,000,000 of assessable profits is taxed at 8.25%, and any amount exceeding that threshold is taxed at 16.5%.

Transfer Pricing Assessment

We follow the guidelines set forth by the Organization for Economic Co-operation and Development ("**OECD**") Transfer Pricing Guidelines ("**OECD Transfer Pricing Guidelines**"), which are generally consistent with the tax laws of jurisdictions involved in our intra-group transactions, including the Chinese Mainland and Hong Kong. We also follow Transfer Pricing regulations in the Chinese Mainland and Hong Kong, and general transfer pricing practice in both regions to conduct review and evaluation on related-party pricing arrangement.

We have engaged an independent transfer pricing consultant (the "**Transfer Pricing Consultant**") to conduct a review of our intra-group transactions during the Track Record Period. The Transfer Pricing Consultant reviewed information provided by us, including functional files and financial figures of our Group entities involved in intra-group transaction, and performed benchmark studies. The objective was to evaluate whether the relevant pricing of intra-group transactions was in line with the arm's length principle and would not give rise to material tax exposure.

Analysis of Sales of Tangible Assets and Provision of Processing Services

Sales of Tangible Assets

During the Track Record Period, certain Group entities engaged in intra-group sales of tangible assets, primarily including sales of raw material, finished products and production equipment as follow: (i) sales of raw materials. Dongguan Superb and Guanghua Environmental sold raw materials to the Company and Huangshi Delton; (ii) sales of production equipment. The Company, Dongguan Delton and Huangshi Delton sold production equipment to one another in reciprocal transactions; and (iii) sales of finished products. In relation to domestic sales, the Company procured finished products directly from (i) Huangshi Delton and (ii) Dongguan Delton based on customer orders, in which cases Huangshi Delton and Dongguan Delton sourced materials, processed, and delivered the finished products to the designated locations of the Company's customers. In relation to overseas sales, based on customer orders from Delton International, the Company or Huangshi Delton directly sourced materials, processed, and delivered the finished products to the designated locations of Delton International's customers.

Provision of Processing Services

During the Track Record Period, certain Group entities engaged in the provision of intra-group processing services. Specifically, in 2022 and 2023, (i) Huangshi Delton and (ii) the Company provided manufacturing services to each other interchangeably. Since 2024, (i) Huangshi Delton and (ii) Dongguan Delton provided manufacturing services to the Company. In addition, Guanghua Environmental provided reclamation treatment services to Huangshi Delton during the Track Record Period.

For the above (i) sales of tangible assets and (ii) provision of processing services transactions, the Transfer Pricing Consultant has conducted comprehensive and practical valuation on the pricing arrangements, particularly for the cross-boarder transaction between Delton International, the Company and Huangshi Delton. Generally, tax bureaus in the Chinese Mainland and Hong Kong pay particular attention to cross-boarder transactions, and focus on that if entities in different regions earn reasonable profit margin in the transactions.

In the cross-boarder transactions, Delton International functions as limited risk distributor and earns reasonable profit margin, which fell within the interquartile range of benchmarking study for comparable distributors. In view of this and following the relevant transfer pricing guidelines and general practice, the Transfer Pricing Consultant consider that pricing policy for such cross-boarder transactions complies with arm's length principle.

In terms of domestic transactions, the Transfer Pricing Consultant reviewed function and risk profile of involving parties for the domestic value chain, covering all the domestic related-party transactions. The transfer pricing consultant conducted benchmarking test to evaluate profit margin for manufacturing function. It is evaluated and concluded that all involving parties earn reasonable share of manufacturing profit.

The Transfer Pricing Consultant has reviewed these transactions and found that the during the Track Record Period, the gross profit margins for such transactions were within the interquartile range based on comparable benchmarks. Accordingly, the pricing of these transactions is considered consistent with the arm's length principle.

Analysis of Intercompany Financing Arrangements

During the Track Record Period, certain Group entities, including the Company, Huangshi Delton, Dongguan Delton and Thailand Delton entered into intercompany financing arrangements for working capital and strategic funding purposes.

The independent transfer pricing consultant has reviewed these arrangements and found that most loans were interest-bearing and priced in line with market rates. Specifically, a limited number of interest-free financing arrangements were made to support developing subsidiaries and business expansion, and such arrangements were not motivated by tax avoidance purposes, and thus the associated risk is considered low. Accordingly, the pricing of these transactions is considered consistent with the arm's length principle.

Based on the above analysis regarding our intra-group transactions, as advised by the Transfer Pricing Consultant, our Directors are of the view that (i) our Group sets reasonable pricing arrangement for the Covered Transactions, (ii) the Covered Transactions were in line with the arm's length principle, that our transfer pricing practice did not have any material compliance issues and no material adjustment is required, and (iii) our transfer pricing arrangements should not result in material transfer pricing exposure for Track Record Period and the practical transfer pricing adjustment risk should be low. Based on the due diligence conducted by the Joint Sponsors, nothing has come to the Joint Sponsors' attention that would cause them to disagree with our Directors' view regarding the transfer pricing arrangements.

Tax Implication

We engage in regular communication with relevant tax authorities across the jurisdictions in which we operate, submit the pricing policies for our intra-group transactions for review to ensure transparency. During the Track Record Period and up to the Latest Practicable Date, we did not receive any challenges from relevant authorities in any jurisdiction questioning our intra-group pricing policies or demanding additional tax payments due to such pricing policies. In addition, during the Track Record Period and up to the Latest Practicable Date, to the best knowledge of our Directors, we were not aware of any inquiries, audit, investigation or challenge by any relevant tax authorities in the Chinese Mainland and Hong Kong in relation to our intra-group transactions. In light of the above, as advised by the Transfer Pricing Consultant, our Directors are of the view that our Group has been in compliance with the relevant transfer pricing laws and regulations in the Chinese Mainland and Hong Kong during the Track Record Period and up to the Latest Practicable Date.

Our management will closely monitor our Group's transfer pricing arrangements including reviewing the reasonableness of the pricing policy of our intra-group transactions from time to time. However, we cannot assure you that our transfer pricing arrangements will not be subject to review and possible challenge by any relevant tax authorities in the future, even though we believe we have reasonable grounds to defend ourselves against such a possible challenge. In addition, although benchmarking studies conducted in accordance with OECD Transfer Pricing guidelines would generally be followed by all tax jurisdictions involved in the Covered Transactions, it does not have binding effect on any local taxation authorities in the event of transfer pricing controversy. For further details, see "Risk Factors — Risks Relating to Our Business and Industry — Our transfer pricing arrangements may be subject to scrutiny by the relevant tax authorities in the countries and regions where we operate."

PROPERTIES

Owned Properties

Land

As of the Latest Practicable Date, we owned and occupied the land use rights of five land parcels in China, with an aggregate land area of approximately 637,139 sq. m., and five land parcels in Thailand, with an aggregate land area of approximately 110,800 sq. m. These land parcels are mainly used for our production and warehousing purposes. As of the Latest Practicable Date, we had obtained all land use rights certificates for all land parcels we owned and occupied.

Buildings or Units

As of the Latest Practicable Date, we owned or occupied 18 buildings or units across China, with an aggregate GFA of approximately 329,060 sq. m. As of the Latest Practicable Date, we had obtained building ownership certificates for 17 of the buildings we owned, which are mainly used as our factories, warehouses and office space.

As of the Latest Practicable Date, we have not obtained the building ownership certificates for one of our properties we occupied and used, which were used as canteen. This is due to the fact that, we have not completed the related procedures for obtaining building ownership certificates.

With respect to the canteen, based on (i) the written confirmations with Huangpu Urban Management Bureau ("廣州市黃埔區城市管理和綜合執法局") that we had not been subject to any material administrative penalties by competent regulatory authorities during the Track Record Period, (ii) the fact that we have obtained the food operation license required for the operation of the canteen, and considering that we could find alternative property to use if needed, our Director, as advised by our PRC Legal Advisor, is of the view that such circumstance would not have any material adverse impact on our business operation.

Lease Properties

As of the Latest Practicable Date, we signed lease agreements with four lessors in China, with an aggregate GFA of approximately 9,280 sq. m., which were used as our employee dormitories and warehouse.

Non-registration of Lease Agreements

Pursuant to the applicable PRC laws and regulations, property lease agreements shall be registered with the relevant local branches of the PRC Ministry of Housing and Urban-Rural Development. As of the Latest Practicable Date, we did not complete lease registration for the properties we leased under lease agreements with three of the four lessors in China, with an aggregate GFA of approximately 6,400 sq.m. The failure of lease agreement registration was primarily due to lack of cooperation from our lessors. As the registration of a lease agreement requires the cooperation between the lessor and lessee and lessors are typically unwilling to undertake the administrative burden, we were not able to complete the registration of lease agreements without lessors' cooperation.

As advised by our PRC Legal Advisor, the absence of registrations will not affect the validity of the lease agreements, nor materially and adversely affect our operations. The relevant PRC authorities may request us to complete the registration, and if we fail to complete the registration of lease agreements within the stipulated period, as advised by our PRC Legal Advisor, a fine ranging from RMB1,000 to RMB10,000 may be imposed by the relevant PRC authorities for each of the lease agreements. Accordingly, the aggregate amount of maximum fine will be approximately RMB40.0 thousand, which accounted for less than 0.01% of our revenue in 2024, and thus which our Directors believe will not have any material adverse impact on our business operations.

As of the Latest Practicable Date, in relation to the leased properties that had not completed lease registration, we have not been required by the relevant local housing administrative authorities to complete the registrations, nor been penalized or fined by the relevant authorities. In addition, as of the Latest Practicable Date, we will communicate with our lessors and will take all practicable and reasonable steps to register these lease agreements. Based on the foregoing, after consulting with our PRC Legal Advisor, our Directors believe that (i) the absence of registration for certain lease agreements does not constitute a material or systemic non-compliance on our part, and (ii) the failure to register these lease agreements, either individually or in total, will not have a material impact on our business or operational results.

Absence of Valid Title Certificate

As of the Latest Practicable Date, we had not received real estate ownership certificates or proof of authorizations from the lessors or the property owners, for the properties we leased under lease agreements with one of the four lessors, with an aggregate GFA of approximately 2,410 sq.m.

Our PRC Legal Advisor is of the view that we would not be subject to any administrative penalties arising from the landlord's lack of valid title certificates considering that according to the applicable PRC laws and regulations (i) the imposition of administrative penalties on any entity must be based on provisions expressly stipulated by laws, regulations, and rules; and (ii) no applicable laws, rules or regulations stipulate that any penalty shall be imposed on the tenants with respect to the landlord's lack of valid title certificates. Nevertheless, as tenants, as advised by our PRC Legal Advisor, if the lessor of the leased properties do not have the requisite rights to lease the relevant properties, our lease may be affected, and, as a result, we may be required to vacate the relevant properties and relocate. In the event that we are unable to continue using the leased properties, in accordance with the applicable provisions of the PRC Civil Code and as advised by our PRC Legal Adviser, we have the right to request a reduction in rent or seek exemption from rent payments. Furthermore, it is the lessors' obligation to obtain valid title certificates in order to enter into the leases. In the case of a dispute arising from these leases, or if we incur losses as a result of them, we are entitled to request indemnification from the lessor for such losses under the lease agreements, in accordance with the relevant provisions of the PRC Civil Code.

Our Directors are of the view that the aforementioned absence of valid title certificates will not have a material impact on our business operations and financial performance, having considered the above, and that: (i) such leased properties are used for employee dormitories, and are highly replaceable, and we do not have material reliance on them, (ii) as of the Latest Practicable Date, we were not aware of any challenge made by a third party or competent government authority on the titles of any of these leased properties that might affect our current occupation, (iii) during the Track Record Period and up to the Latest Practicable Date, we had not been required to cease operations due to challenges from third-party rights holders against the lessors' right to lease that have resulted in a material adverse impact on our business, results of operations, or financial condition, (iv) we maintain a pool of alternative site candidates, and our Directors believe that, in the event that the relevant rightful title holders or other third parties challenge our use of such leased properties and we are required to relocate, we are able to find suitable alternative properties within the proximate area, without incurring substantial additional costs nor imposing any material adverse effect on our business, financial condition and results of operations, and (v) as detailed below, we will enhance our internal control measures and procedures to prevent leasing properties without valid title certificates in the future.

To prevent recurrence of absence of valid title certificates in the future, we will keep enhancing our internal control measures, including (i) maintaining active and regular communications with the lessors of the leased properties, requesting them to provide us with the title certificates or documents evidencing the rights to lease before we enter into lease agreements with them, and (ii) asking the lessors to indemnify us for any of our losses caused by any absence of valid title certificates.

Property Valuation

As of the Latest Practicable Date, we had no single property with a carrying amount of 15% or more of our total assets, and on this basis, we are not required by Rule 5.01A of the Listing Rules to include in this document any valuation report. Pursuant to section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong), this document is exempted from compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, which requires a valuation report with respect to all of our interests in land or buildings.

IMPACT OF COVID-19 PANDEMIC

Although the pandemic temporarily disrupted various sectors of the global economy, our operations were minimally impacted. Our sales and revenue demonstrated consistent growth throughout the Track Record Period. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material disruption to our regular operations due to the COVID-19 pandemic. In light of the above, our Directors are of the view that, the COVID-19 pandemic has not had any material adverse impact on our business operations and financial performance.

LICENSES, APPROVALS AND PERMITS

As of the Latest Practicable Date, we obtained all requisite licenses, approvals and permits from relevant government authorities that are material to our business operations in China and overseas. The following table sets out details of material licenses, permits and regulatory approvals held by us as of the Latest Practicable Date.

Licenses, permits and regulatory approvals	Issuing authority	Grant dates	Expiration dates
Chinese Mainland			
Pollutant discharge permits (“排污許可證”) for the Company	The Administrative Committee of the Guangzhou Development District (“廣州開發區行政審批局”)	December 1, 2019 December 31, 2022 December 26, 2024	November 30, 2022 November 30, 2027 December 25, 2029
Pollutant discharge permits for Huangshi Delton	Ecology and Environmental Bureau of Huangshi (“黃石市生態環境局”)	August 20, 2021 July 12, 2024	August 19, 2026 July 11, 2029
Pollutant discharge permits for Dongguan Delton	Ecology and Environmental Bureau of Dongguan (“東莞市生態環境局”)	October 31, 2025	October 30, 2030

Licenses, permits and regulatory approvals	Issuing authority	Grant dates	Expiration dates
Thailand			
License for Land Use and Business Operation in the Industrial Estate under the Industrial Estate Authority of Thailand Act, for plots F13, F14, F15, F16	Industrial Estate Authority of Thailand ("**IEAT**")	July 6, 2023	–
License for Land Use and Business Operation in the Industrial Estate under the Industrial Estate Authority of Thailand Act, for plots C7	IEAT	May 31, 2024	–
Construction, Modification, or Demolition Permit for plots F13, F14, F15, F16	IEAT	October 25, 2024	October 26, 2025
Construction, Modification, or Demolition Permit for plots F13, F14, F15, F16 (the Second)	IEAT	May 7, 2024	May 6, 2026

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material difficulties in renewing the licenses, approvals and permits, and currently we do not expect any material difficulties in such renewal.

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.

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any material non-compliance incidents that led to fines, enforcement actions or other penalties that could, individually or in the aggregate, have a material adverse effect on our business, results of operations and financial conditions. According to our PRC Legal Advisor, 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.

In addition, our Thai Legal Advisor is of the view that our Thailand operations have complied with the applicable law and regulations in Thailand, including the foreign ownership restrictions during the Track Record Period and up to the Latest Practicable Date, which encompasses all relevant permits, licenses, and regulatory requirements necessary for conducting business in Thailand. To the best of our knowledge, there have been no breaches or violations that would adversely affect the ability to operate within the legal framework during this period.

INTERNAL CONTROL AND RISK MANAGEMENT

We have in place a robust risk management and internal control system. We adopted and continually improve our internal control mechanisms, consisting of policies and procedures tailored to our business operations, to safeguard our business operations and assets at all times. Our Board is collectively responsible for establishing and implementing such risk management mechanisms and overseeing our overall risk management.

Financial Reporting Risk Management

To manage financial reporting risks effectively, we have adopted comprehensive accounting policies covering financial management, budget management and financial statement preparation. These policies are supported by established procedures, with our finance department regularly reviewing management accounts in accordance with these procedures. We also established an Audit Committee to review and supervise our financial reporting process and internal control system.

Compliance Risk Management

We have established sound compliance risk management procedures to achieve effective identification and management of compliance risk, and ensure that our operations are in compliance with applicable laws and regulations. In accordance with such procedures, our legal team carefully reviews the contracts we enter into with customers, suppliers and business partners. In addition, we continually monitor changes in relevant laws and regulations as well as the regulatory environment to ensure compliance in our business operations.

Intellectual Property Risk Management

We recognize the importance of protecting our IP to maintain our competitive advantage and mitigate potential risks. To ensure robust protection, we have implemented a comprehensive IP management system, supported by clear policies and proactive measures:

- ***IP protection framework.*** We have established a multi-disciplinary IP management system, led by the General Manager and coordinated across key departments, including legal, R&D, and sales and marketing. Our policies, such as the Innovation and IP Management System and Patent Management Procedures, provide a structured approach to securing and maintaining our IP assets.

- ***IP Risk prevention and mitigation.*** We have developed and implemented a set of formal procedures to proactively manage and mitigate potential IP risks. These procedures include our IP Risk Prevention Procedures, IP Dispute Resolution Procedures, and IP Evaluation and Control Procedures.

- ***Employee training and awareness.*** To ensure that our employees are well-informed and equipped to protect our IP, we provide comprehensive annual training on IP policies and procedures. This training, which is mandatory for all key personnel in R&D, production, and sales, ensures 100% participation.

- ***Regular legal and expert support.*** We engage with external legal advisors and intellectual property service providers to further strengthen our ability to manage IP risks.

Human Resources Risk Management

We have established comprehensive internal control and risk management policies for human resources, covering recruitment, training, work ethics and legal compliance. Our recruitment process helps ensure the quality of new hires. We also provide regular and specialized training tailored to our employees in different departments. These trainings help ensure that our employees' skill sets remain up-to-date and enable them to discover and meet our customers' needs.

Anti-corruption Risk Management

We uphold business ethics and integrity through comprehensive policies, including the anti-bribery code of conduct. We maintain a whistleblower mechanism for anonymous reporting, with oversight by the internal audit department. All reports will be investigated per an approved plan, with findings documented and submitted to relevant management. The internal audit department ensures strict confidentiality for whistleblowers. In addition, we require our business partners to sign the code of business conduct for business partners or other integrity agreement as part of the onboarding process. During the Track Record Period and up to the Latest Practicable Date, we have not been involved in legal proceedings related to corruption, bribery or fraud.

You should read the following discussion and analysis in conjunction with our audited consolidated financial information, included in the Accountants' Report in Appendix I to this Prospectus, together with the respective accompanying notes. Our consolidated financial information has been prepared in accordance with IFRS Accounting Standards.

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance 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. In evaluating our business, you should carefully consider the information provided in the section headed "Risk Factors" in this Prospectus.

OVERVIEW

We primarily develop, manufacture and sell customized PCBs for high performance servers and other computing applications. Our revenue amounted to RMB2,412.4 million, RMB2,678.3 million, RMB3,734.3 million, RMB2,680.7 million and RMB3,835.1 million in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Downstream Market Size and Customer Demand

Our business performance is affected by the downstream market size and customer demand for PCBs. According to Frost & Sullivan, the global and China PCB markets have demonstrated steady growth, primarily driven by accelerating digital transformation, escalating demand for high-efficiency solutions in AI. The growth of key downstream sectors, such as servers, datacenters, industrial automation and new energy vehicles has driven the demand for high-density and high-performance PCBs. In addition, customer preferences have evolved towards products with greater reliability, performance consistency and customized flexibility.

We have capitalized on this growth by offering a competitive product portfolio that seeks to meet the evolving customer demands. Our ability to maintain a balanced and high-quality order mix, especially in computing application PCBs, supports both our revenue growth and margin expansion. We believe that our ability to identify and respond to evolving customer requirements, our product offering, proven track record of business growth, and our ability to constantly innovate and adapt to evolving technological advancements, combined with our strong R&D capabilities well position us to further expand our market share and capture the long-term market opportunities in global and China's growing PCB industry.

Our Continued Investment in R&D, Technology and Product Development

Our ability to adapt to the latest technological advancements and effectively conduct R&D activities is critical for us to closely monitor customers' latest demand for PCBs. We have historically dedicated significant resources towards R&D. In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, we recorded R&D expenses of RMB115.1 million, RMB120.6 million, RMB179.2 million, RMB130.5 million and RMB193.9 million, representing 4.8%, 4.5%, 4.8%, 4.9% and 5.1%, respectively, of our total revenue during the same years. Our investment in R&D activities yielded 266 issued patents in China as of the Latest Practicable Date. The progress of our technology and product development also depends on our R&D talents. As of September 30, 2025, we had more than 400 experienced R&D employees. These resources allow us to address increasingly complex customer specifications, improve product performance, and enter strategic growth areas such as multilayer PCBs with eight or more layers and HDI PCBs. One of our key R&D priorities is to enhance yield and reduce costs by improving utilization rate and minimizing scrap rate, including in the process of material testing and certification and the overall process optimization.

Our Ability to Strengthen Relationship with Existing Customers and Expand Customer Base

Our business growth is driven by our ability to maintain our relationships with existing customers and expand our customer base. We have established stable and long-term collaborations with major customers. We deepen customer loyalty by continuously optimizing product quality, customer service and delivery reliability, which in turn has led to increased order volumes from recurring customers. We strive to increase our share of volume with existing customers by providing highly reliable, customized products, particularly for computing application, and by capturing demand driven by the rapid development of AI-related infrastructure. We are also actively identifying, acquiring and maintaining new customers to expand our customer base. Leveraging our business model, we seek to attract leading server brands and EMS providers globally to drive greater market penetration.

Impact of Our Product Portfolio on Overall Gross Profit Margin

During the Track Record Period, we offered a comprehensive range of PCB products, including (i) computing application PCBs, (ii) industrial application PCBs and (iii) consumer application PCBs to meet the evolving demand of customers in various application fields. The gross profit margin of our different product types varies due to the differences in the technological barriers and supply-demand dynamics. In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, our gross profit margin was 26.1%, 33.3%, 33.4%, 33.3% and 34.8%, respectively. In the same periods, our gross profit margin for computing application PCBs was 28.8%, 38.0%, 37.0%, 37.8% and 36.2%, respectively, representing the highest gross profit margins among our product categories. We focus on PCB products for computing application as our core offering and continue to deepen our R&D and process capabilities to meet the advanced requirements of leading global server providers. In light of the long-term growth potential in industrial control, consumer electronics such as smart devices and other emerging sectors, we also plan to continue expanding our product offerings in industrial and consumer applications to drive our business growth, even though the gross profit margins for such products may be lower than those for computing application PCBs.

Supply Chain and Raw Material Costs Management

Our profitability has been affected and will continue to be affected by our ability to effectively manage supply chain and raw material costs, which forms the majority of our cost of sales. In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, our raw material costs were RMB1,129.3 million, RMB1,110.9 million, RMB1,627.5 million, RMB1,169.8 million and RMB1,681.9 million, representing 63.3%, 62.2%, 65.4%, 65.4% and 67.3% of our total cost of sales, respectively. Our key raw materials primarily include CCL, prepregs, copper foils, copper spheres, gold salts and dry films, which are essential for our PCB production, particularly for multilayer PCBs featured high-performance and high-precision. The prices of such raw materials are susceptible to price fluctuations due to various factors beyond our control.

We have implemented various cost-control measures, including improving the raw material utilization, reducing scrap rate and optimizing processes through dedicated engineering initiatives. We have also continuously introduced new equipments to promote our automation and process upgrades, increased panelization areas as well as encouraged our employees to proactively contribute suggestions for our operation improvement, so than we can increase our production capacity and operational efficiency. We believe our ability to efficiently manage our supply chain and raw material costs is critical to sustaining the scale of our business, driving the continued growth of our total revenue and gross profit margin, and maintaining competitiveness. Going forward, we expect to continue enhancing our operational efficiency through automation, quality control upgrades and process optimization to mitigate input cost pressures and safeguard our profitability.

BASIS OF PREPARATION AND PRESENTATION

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board ("**IASB**"). All IFRS Accounting Standards effective for the accounting period commencing from January 1, 2024, together with the relevant transitional provisions, have been early adopted by the Group in the preparation of the Historical Financial Information throughout the Track Record Period.

MATERIAL ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

We have identified certain accounting policies that are material to the preparation of our financial information. See Notes 2 and 3 to the Accountants' Report in Appendix I to this Prospectus for details of our material accounting policies, judgments and estimates, which are critical and/or involve the most important estimates and judgments we used in preparing our financial statements.

PRINCIPAL COMPONENTS OF CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

Revenue

During the Track Record Period, our revenue was primarily derived from (i) sales of PCBs, including computing application PCBs, industrial application PCBs and consumer application PCBs and (ii) sales of other products, primarily including recyclable materials.

Cost of Sales

Our cost of sales primarily includes raw material costs, production fees and staff costs.

Gross Profit and Gross Profit Margin

Our gross profit represents our revenue less our cost of sales, and our gross profit margin represents our gross profit divided by our revenue, expressed as a percentage.

Other Income and Gains

Our other income and gains primarily consist of interest income, government grants, gains on foreign exchange differences and fair value gains on financial assets at fair value through profit or loss.

Selling and Marketing Expenses

Our selling and marketing expenses primarily consist of commission, employee compensation, business entertainment expenses, insurance, traveling expenses, freight and customs declaration charges.

Administrative Expenses

Our administrative expenses primarily consist of employee compensation, taxes and surcharges, share-based payments, depreciation and amortization, professional service fees, office expenses, utility fees, business entertainment expenses, traveling expenses and banking charges.

Research and Development Expenses

Our research and development expenses primarily consist of employee compensation, materials and power expenses, depreciation and amortization and testing and service fees.

Other Expenses

Our other expenses primarily consist of impairment loss on inventories, impairment loss on assets, loss on changes in fair value of derivative financial instruments, non-operating expenses, costs of disposal of assets and impairment loss on financial assets.

Finance Costs

Our finance costs primarily consist of interest on bank and other borrowings and interest on lease liabilities.

Income Tax Expense

Our income tax expense primarily consists of income tax payable by us at the applicable tax rates in accordance with the relevant laws and regulations in each tax jurisdiction in which we operate or are domiciled. We are subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which our members are domiciled and operate. We are subject to various rates of income tax under different jurisdictions. See Note 10 to the Accountants' Report in Appendix I to this Prospectus for more details. During the Track Record Period and up to the Latest Practicable Date, we paid all relevant taxes that were due and applicable to us and had no disputes or unresolved tax issues with the relevant tax authorities.

REVIEW OF HISTORICAL RESULTS OF OPERATIONS

The table below sets forth our results of operations in absolute amounts and as percentages of our total revenue for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000* *(unaudited)*	*(%)*	*RMB'000*	*(%)*
REVENUE	**2,412,387**	**100.0**	**2,678,270**	**100.0**	**3,734,285**	**100.0**	**2,680,660**	**100.0**	**3,835,129**	**100.0**
Cost of sales	(1,783,719)	(73.9)	(1,786,428)	(66.7)	(2,487,825)	(66.6)	(1,787,983)	(66.7)	(2,498,591)	(65.2)
Gross profit	**628,668**	**26.1**	**891,842**	**33.3**	**1,246,460**	**33.4**	**892,677**	**33.3**	**1,336,538**	**34.8**
Other income and gains	84,710	3.5	32,595	1.2	91,212	2.4	35,420	1.3	49,315	1.3
Selling and marketing expenses	(69,018)	(2.9)	(85,287)	(3.2)	(106,620)	(2.9)	(76,638)	(2.9)	(91,516)	(2.4)
Administrative expenses	(104,522)	(4.3)	(118,538)	(4.4)	(157,491)	(4.2)	(92,746)	(3.5)	(174,038)	(4.4)
Research and development costs	(115,095)	(4.8)	(120,589)	(4.5)	(179,197)	(4.8)	(130,512)	(4.9)	(193,920)	(5.1)
Other expenses	(102,432)	(4.2)	(89,213)	(3.3)	(116,016)	(3.1)	(60,259)	(2.2)	(88,449)	(2.3)
Finance costs	(11,666)	(0.5)	(13,927)	(0.5)	(15,867)	(0.4)	(11,942)	(0.4)	(14,466)	(0.4)
PROFIT BEFORE TAX	**310,645**	**12.9**	**496,883**	**18.6**	**762,481**	**20.4**	**556,000**	**20.7**	**823,464**	**21.5**
Income tax expense	(30,994)	(1.3)	(82,197)	(3.1)	(86,381)	(2.3)	(63,505)	(2.3)	(99,645)	(2.6)
PROFIT FOR THE YEAR/PERIOD	279,651	11.6	414,686	15.5	676,100	18.1	492,495	18.4	723,819	18.9
OTHER COMPREHENSIVE INCOME	–	–	–	–	4,162	0.1	–	–	(5,757)	(0.2)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR/PERIOD	**279,651**	**11.6**	**414,686**	**15.5**	**680,262**	**18.2**	**492,495**	**18.4**	**718,062**	**18.7**

Non-IFRS Measure

To supplement our consolidated financial statements that are presented in accordance with IFRS Accounting Standards, we also use EBITDA (non-IFRS measure) as an additional financial measure, which is not required by, or presented in accordance with, IFRS Accounting Standards. We define EBITDA (non-IFRS measure) as profit for the year adjusted by adding back (i) net finance costs, (ii) income tax expense and (iii) depreciation and amortization. We believe that this non-IFRS measure facilitates comparisons of operating performance from period to period by eliminating potential impacts of certain items. We believe that this non-IFRS measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as it helps our management. However, our presentation of EBITDA (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

The following table sets forth a reconciliation of our EBITDA (non-IFRS measure) to profit for the year/period in respect of the years/periods indicated:

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Profit for the year/period	**279,651**	**414,686**	**676,100**	**492,495**	**723,819**
Adjustments:					
Income tax expense	30,994	82,197	86,381	63,505	99,645
Net finance costs	10,112	9,454	(1,486)	(346)	(411)
Depreciation and amortization	144,703	168,584	176,833	132,979	163,197
EBITDA (non-IFRS measure)	**465,460**	**674,921**	**937,828**	**688,633**	**986,250**

Revenue

Revenue by Application of PCBs

The following table sets forth a breakdown of our revenue by application of PCBs, in absolute amounts and as percentages of our total revenue, for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000* *(unaudited)*	*(%)*	*RMB'000*	*(%)*
PCBs										
Computing application PCBs	1,635,289	67.8	1,858,189	69.4	2,705,557	72.5	1,961,717	73.2	2,833,230	73.9
Industrial application PCBs	290,697	12.1	260,785	9.7	280,768	7.5	194,195	7.2	291,932	7.6
Consumer application PCBs	345,800	14.3	418,162	15.6	493,055	13.2	363,323	13.6	449,569	11.7
Subtotal	**2,271,786**	**94.2**	**2,537,136**	**94.7**	**3,479,380**	**93.2**	**2,519,235**	**94.0**	**3,574,731**	**93.2**
Other Products[1]	**140,601**	**5.8**	**141,134**	**5.3**	**254,905**	**6.8**	**161,425**	**6.0**	**260,398**	**6.8**
Total	**2,412,387**	**100.0**	**2,678,270**	**100.0**	**3,734,285**	**100.0**	**2,680,660**	**100.0**	**3,835,129**	**100.0**

Note:

(1) Other products primarily include recyclable materials such as etching liquids, lamination frames and other production residues.

The table below sets forth the revenue breakdown by sub-lines PCBs in absolute amounts and as percentages of our total revenue from PCBs, for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000* *(unaudited)*	*(%)*	*RMB'000*	*(%)*
Computing application PCBs	**1,635,289**	**72.0**	**1,858,189**	**73.2**	**2,705,556**	**77.7**	**1,961,717**	**73.2**	**2,833,230**	**73.9**
Industrial application PCBs	**290,697**	**12.8**	**260,785**	**10.3**	**280,768**	**8.1**	**194,195**	**7.2**	**291,932**	**7.6**
(i) Industrial control PCBs	120,411	5.3	116,522	4.6	125,219	3.6	92,006	3.4	117,616	3.1
(ii) Automotive PCBs	68,431	3.0	80,878	3.2	72,302	2.1	53,357	2.0	71,583	1.9
(iii) Communication PCBs	101,855	4.5	63,385	2.5	83,247	2.4	48,772	1.8	102,732	2.7
Consumer application PCBs	**345,800**	**15.2**	**418,162**	**16.5**	**493,055**	**14.2**	**363,323**	**13.6**	**449,569**	**11.7**
(i) Consumer electronics PCBs	291,334	12.8	378,219	14.9	442,806	12.7	326,169	12.2	402,023	10.5
(ii) Security electronics PCBs	51,819	2.3	31,716	1.3	44,185	1.3	32,958	1.2	39,747	1.0
(iii) Others	2,647	0.1	8,227	0.3	6,064	0.2	4,196	0.2	7,799	0.2

Comparison between the nine months ended September 30, 2025 and the nine months ended September 30, 2024: Our revenue increased by 43.1% from RMB2,680.7 million in the nine months ended September 30, 2024 to RMB3,835.1 million in the nine months ended September 30, 2025, primarily due to the following reasons: (i) revenue from sales of computing application PCBs increased by 44.4% to RMB2,833.2 million in the nine months ended September 30, 2025, which maintains the continued growth trend in 2024 as a result of the increased demands and procurements from our customers for certain 12 to 20 layer PCBs; (ii) revenue from sales of industrial application PCBs increased by 50.3% to RMB291.9 million in the nine months ended September 30, 2025, primarily due to increased sales of telecommunication related PCBs featuring PCBs with 12 and above layers; and (iii) revenue from sales of consumer application PCBs increased by 23.7% to RMB449.6 million in the nine months ended September 30, 2025 primarily due to the growing demand from our downstream customers in consumer electronics industry.

Comparison between 2024 and 2023: Our revenue increased by 39.4% from RMB2,678.3 million in 2023 to RMB3,734.3 million in 2024, primarily due to the increased average selling price and sales volume of our PCBs from approximately 1,231,898 sq.m. to approximately 1,491,588 sq.m. in line with the increasing demand from our customers for high-end products, particularly in light of the mass production of certain computing servers in 2024. Specifically, such increase was primarily due to the following reasons: (i) revenue from sales of computing application PCBs increased by 45.6% to RMB2,705.6 million in 2024, primarily due to the increase in sales of our high performance server PCBs and our customized product design and development capabilities through joint design manufacturing with certain of our major customers; (ii) revenue from sales of industrial application PCBs increased by 7.7% to RMB280.8 million in 2024, primarily due to growing demand from certain of our customers in the downstream communication and automotive electronics sectors for applicable PCBs; and (iii) revenue from sales of consumer application PCBs increased by 17.9% to RMB493.1 million in 2024, primarily due to growing demand from our downstream customers producing mini and micro LED displays, and the increase in sales volume to certain existing customers producing such emerging display devices as their production needs grew.

Comparison between 2023 and 2022: Our revenue increased by 11.0% from RMB2,412.4 million in 2022 to RMB2,678.3 million in 2023, primarily due to the following reasons: (i) revenue from sales of computing application PCBs increased by 13.6% to RMB1,858.2 million in 2023, primarily due to the higher sales of high performance server PCBs, following the launch of new-generation server platforms in 2023 that adopted advanced specifications such as PCIe 5.0 interfaces, which required more complex and higher-layer-count PCBs (primarily featuring 14 and above layers), and the use of enhanced materials; (ii) revenue from sales of industrial application PCBs decreased by 10.3% to RMB260.8 million in 2023, primarily due to the decrease in our customer demand in the communication sector; and (iii) revenue from sales of consumer application PCBs increased by 20.9% to RMB418.2 million in 2023, primarily due to the growing demand from our customers producing mini and micro LED displays, and the increase in sales volume to certain existing customers in consumer electronics as their production needs grew.

Revenue by Product Category

The table below sets out a breakdown of our revenue by product category, in absolute amounts and as percentages of our total revenue, for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000* *(unaudited)*	*(%)*	*RMB'000*	*(%)*
PCBs										
Multilayer PCBs										
Six and below layers	553,877	23.0	599,595	22.4	638,373	17.1	496,044	18.5	486,781	12.7
Eight to 16 layers	1,458,483	60.4	1,589,579	59.3	2,107,255	56.4	1,498,637	55.9	2,228,982	58.1
18 and above layers	64,896	2.7	172,208	6.4	391,033	10.5	285,852	10.7	600,079	15.6
Subtotal	**2,077,256**	**86.1**	**2,361,382**	**88.1**	**3,136,661**	**84.0**	**2,280,533**	**85.1**	**3,315,842**	**86.4**
HDI PCBs	**194,530**	**8.1**	**175,754**	**6.6**	**342,719**	**9.2**	**238,702**	**8.9**	**258,889**	**6.8**
Subtotal	**2,271,786**	**94.2**	**2,537,136**	**94.7**	**3,479,380**	**93.2**	**2,519,235**	**94.0**	**3,574,731**	**93.2**
Other Products[1]	**140,601**	**5.8**	**141,134**	**5.3**	**254,905**	**6.8**	**161,425**	**6.0**	**260,398**	**6.8**
Total	**2,412,387**	**100.0**	**2,678,270**	**100.0**	**3,734,285**	**100.0**	**2,680,660**	**100.0**	**3,835,129**	**100.0**

Note:

(1) Other products primarily include recyclable materials such as etching liquids, lamination frames and other production residues.

The table below sets forth a breakdown of sales volume of PCBs by product category for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	(sq. m.)	*(%)*	*(sq. m.)*	*(%)*	*(sq. m.)*	*(%)*	*(sq. m.)*	*(%)*	*(sq. m.)*	*(%)*
PCBs										
Multilayer PCBs										
Six and below layers	553,729	47.4	703,845	57.1	760,908	51.0	604,872	54.6	527,223	39.4
Eight to 16 layers	540,267	46.2	454,826	36.9	592,995	39.8	417,110	37.6	633,767	47.4
18 and above layers	8,315	0.7	18,009	1.5	37,878	2.5	27,176	2.4	74,011	5.5
Subtotal	**1,102,311**	**94.3**	**1,176,680**	**95.5**	**1,391,781**	**93.3**	**1,049,157**	**94.6**	**1,235,001**	**92.3**
HDI PCBs	**66,417**	**5.7**	**55,218**	**4.5**	**99,807**	**6.7**	**59,387**	**5.4**	**102,490**	**7.7**
Total	**1,168,727**	**100.0**	**1,231,898**	**100.0**	**1,491,588**	**100.0**	**1,108,544**	**100.0**	**1,337,491**	**100.0**

Comparison between the nine months ended September 30, 2024 and the nine months ended September 30, 2025: Our revenue increased by 43.1% from RMB2,680.7 million in the nine months ended September 30, 2024 to RMB3,835.1 million in the nine months ended September 30, 2025, primarily due to the following reasons: (i) revenue from sales of multilayer PCBs increased to RMB3,315.8 million in the nine months ended September 30, 2025, mainly driven by sales of PCBs featured eight to 16 layers due to the heightened market demand from our customers in the server sector, and (ii) revenue from sales of HDI PCBs increased by 8.5% to RMB258.9 million in the nine months ended September 30, 2025 primarily due to the increase in market demand for compact, high-density electronic products in 2025, such as miniatured, high performance products.

Comparison between 2024 and 2023: Our revenue increased by 39.4% from RMB2,678.3 million in 2023 to RMB3,734.3 million in 2024, primarily due to the following reasons: (i) revenue from sales of multilayer PCBs increased to RMB3,136.7 million in 2024, mainly driven by increased sales of PCBs featured eight to 16 layers as a result of the increase in average selling price driven by heightened market demand from our customers in the server sector, and (ii) revenue from sales of HDI PCBs increased by 95.0% to RMB342.7 million in 2024, primarily due to the rebound in market demand for compact, high-density electronic products in 2024, such as AI server accelerator boards, and other miniatured, high performance products.

Comparison between 2023 and 2022: Our revenue increased by 11.0% from RMB2,412.4 million in 2022 to RMB2,678.3 million in 2023, primarily due to the following reasons: (i) revenue from sales of multilayer PCBs increased to RMB2,361.4 million in 2023, driven by increased sales of PCBs featured eight to 16 layers (as the key material for the production of servers in advanced applications). Although total sales volume for eight to 16 layer PCBs decreased from approximately 540,267 sq.m. in 2022 to approximately 454,826 sq.m. in 2023, sales volume of PCBs with higher technological complexity, primarily those featuring 14 to 16 layers, increased by approximately 35.1% in 2023 as compared to 2022, with the average selling price increased by approximately 16.0% during the same period; and (ii) revenue from sales of HDI PCBs decreased by 9.7% to RMB175.8 million in 2023, primarily due to a temporary decline in customer orders, particularly from the computing application segment, as certain of our customers adjusted their inventory levels in response to weakened end-market demand in 2023.

The revenue from our other products increased from RMB140.6 million in 2022 to RMB141.1 million in 2023, and further to RMB254.9 million in 2024. The revenue from our other products increased from RMB161.4 million in the nine months ended September 30, 2024 to RMB260.4 million in the nine months ended September 30, 2025. Such increases during the Track Record Period were primarily attributable to higher sales of recyclable materials generated during our PCB production process, including etching liquids, lamination frames and other production residues.

Revenue by Products Delivery Destinations

During the Track Record Period, our PCBs were sold in both domestic and international markets and our other products were sold only in domestic market. The table below sets forth our revenue generated from sales of PCBs by region, based on the delivery destination of our products, in absolute amounts and as percentages of our total revenue, for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000* *(unaudited)*	*(%)*	*RMB'000*	*(%)*
Sales of PCBs										
Offshore										
Bonded zones	1,130,904	49.8	1,196,070	47.1	1,618,683	46.5	1,199,521	47.6	1,211,324	33.9
Hong Kong[(1)]	412,309	18.1	387,052	15.3	531,453	15.3	350,873	13.9	765,133	21.4
Taiwan	315,126	13.9	461,668	18.2	524,667	15.1	392,525	15.6	541,219	15.1
Others[(2)]	19,757	0.9	14,887	0.6	7,950	0.2	6,534	0.3	8,211	0.2
Subtotal	**1,878,096**	**82.7**	**2,059,677**	**81.2**	**2,682,753**	**77.1**	**1,949,453**	**77.4**	**2,525,887**	**70.6**
Chinese Mainland (excluding bonded zones)	**393,690**	**17.3**	**477,459**	**18.8**	**796,627**	**22.9**	**569,782**	**22.6**	**1,048,844**	**29.4**
Total	**2,271,786**	**100.0**	**2,537,136**	**100.0**	**3,479,380**	**100.0**	**2,519,235**	**100.0**	**3,574,731**	**100.0**

Notes:

(1) A portion of our products delivered to Hong Kong were subsequently transferred to customers' manufacturing facilities located in the Chinese Mainland, while the others were subsequently transferred to customers' facilities located in other countries such as Thailand, Malaysia, Singapore, Japan and other locations for further assembly and processing.

(2) Others mainly primarily include Thailand and Mexico.

During the Track Record Period, a significant portion of our products were delivered offshore, primarily to bonded zones within the Chinese Mainland, as well as to Hong Kong and Taiwan, which accounted for approximately 82.7%, 81.2%, 77.1%, 77.4% and 70.6% of our total revenue in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively. Our revenue generated from offshore product sales increased primarily due to the increase in sales of PCBs delivered to Hong Kong as requested by international customers and domestic customers. In particular, our revenue generated from sales of products to bonded zones in China increased from RMB1,130.9 million in 2022 to RMB1,196.1 million in 2023 and further increased to RMB1,618.7 million in 2024 and increased from RMB1,199.5 million in the nine months ended September 30, 2024 to RMB1,210.8 million in the nine months ended September 30, 2025, primarily due to the increased sales of our computing application PCBs in response to growing market demand, with customers requesting delivery to bonded zones for business considerations.

Our revenue generated from sales of products to the Chinese Mainland increased from RMB393.7 million in 2022 to RMB477.5 million in 2023 and further increased to RMB796.6 million in 2024 and increased from RMB569.8 million in the nine months ended September 30, 2024 to RMB1,049.3 million in the nine months ended September 30, 2025, primarily driven by rising domestic customer demand for our PCBs, particularly for computing application PCBs.

Cost of Sales

The following table sets forth a breakdown of our cost of sales by nature, in absolute amounts and as percentages of our total cost of sales, for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000* *(unaudited)*	*(%)*	*RMB'000*	*(%)*
PCB										
Raw material costs	1,129,271	63.3	1,110,937	62.2	1,627,546	65.4	1,169,796	65.4	1,681,853	67.3
Production costs	440,369	24.7	464,451	26.0	598,183	24.0	427,684	23.9	531,643	21.3
Staff costs	173,319	9.7	177,200	9.9	231,768	9.3	163,385	9.1	233,128	9.3
Others[1]	23,631	1.3	20,846	1.2	15,766	0.6	11,794	0.7	36,361	1.5
Subtotal	**1,766,590**	**99.0**	**1,773,434**	**99.3**	**2,473,263**	**99.4**	**1,772,659**	**99.1**	**2,482,985**	**99.4**
Other products	**17,129**	**1.0**	**12,994**	**0.7**	**14,562**	**0.6**	**15,324**	**0.9**	**15,606**	**0.6**
Total	**1,783,719**	**100.0**	**1,786,428**	**100.0**	**2,487,825**	**100.0**	**1,787,983**	**100.0**	**2,498,591**	**100.0**

Note:

(1) Others primarily included outsourced production fees and freight and handling fees.

The following table sets forth a breakdown of our cost of sales by application of PCBs in absolute amounts and as percentages of our total cost of sales, for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000* *(unaudited)*	*(%)*	*RMB'000*	*(%)*
Computing application PCBs	1,164,018	65.9	1,152,444	65.0	1,704,571	68.9	1,220,774	68.9	1.808,745	72.9
Industrial application PCBs	275,512	15.6	238,346	13.4	283,715	11.5	190,168	10.7	268,753	10.8
Consumer application PCBs	327,061	18.5	382,644	21.6	484,976	19.6	361,717	20.4	405,487	16.3
Total	**1,766,590**	**100.0**	**1,773,434**	**100.0**	**2,473,263**	**100.0**	**1,772,659**	**100.0**	**2,482,985**	**100.0**

Our costs of sales amounted to RMB1,783.7 million, RMB1,786.4 million, RMB2,487.8 million, RMB1,788.0 million and RMB2,498.6 million in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively. Raw material costs were the largest component of our cost of sales, accounting for 63.3%, 62.2%, 65.4%, 65.4% and 67.3% of our cost of sales in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively.

Comparison between the nine months ended September 30, 2025 and the nine months ended September 30, 2024: Our cost of sales increased by 39.7% from RMB1,788.0 million in the nine months ended September 30, 2024 to RMB2,498.6 million in the nine months ended September 30, 2025, primarily due to the increased raw materials costs attributable to (i) the increased procurement volumes of raw materials, and (ii) the increase in the procurement price of major raw materials.

Comparison between 2024 and 2023: Our cost of sales increased by 39.3% from RMB1,786.4 million in 2023 to RMB2,487.8 million in 2024, primarily due to (i) the increased raw material costs and production costs in 2024, generally in line with the expansion of our production scale driven by increased sales volume and (ii) the increase in the procurement price of raw materials, such as copper spheres and copper foils.

Comparison between 2023 and 2022: Our cost of sales slightly increased by 0.2% from RMB1,783.7 million in 2022 to RMB1,786.4 million in 2023, primarily due to expanded production scale and sales volume, partially offset by lower raw material costs from reduced copper sphere and foil prices.

Gross Profit and Gross Profit Margin

Gross Profit and Gross Profit Margin by Application of PCBs

The table below sets forth a breakdown of our gross profit and gross profit margin by application of PCBs for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000 Gross Profit	*(%) Gross Margin*	*RMB'000 Gross Profit*	*(%) Gross Margin*	*RMB'000 Gross Profit*	*(%) Gross Margin*	*RMB'000 Gross Profit*	*(%) Gross Margin*	*RMB'000 Gross Profit*	*(%) Gross Margin*
							(unaudited)			
PCBs										
Computing application PCBs	471,272	28.8	705,745	38.0	1,000,985	37.0	740,943	37.8	1,024,485	36.2
Industrial application PCBs	15,185	5.2	22,439	8.6	(2,947)	(1.0)	4,027	2.1	23,179	7.9
Consumer application PCBs	18,739	5.4	35,518	8.5	8,079	1.6	1,606	0.4	44,082	9.8
Subtotal	**505,196**	**22.2**	**763,702**	**30.1**	**1,006,117**	**28.9**	**746,576**	**29.6**	**1,091,746**	**30.5**
Other Products (1)	**123,472**	**87.8**	**128,140**	**90.8**	**240,343**	**94.3**	**146,101**	**90.5**	**244,792**	**94.0**
Total	**628,668**	**26.1**	**891,842**	**33.3**	**1,246,460**	**33.4**	**892,677**	**33.3**	**1,336,538**	**34.8**

Note:

(1) Other products primarily include recyclable materials such as etching liquids, lamination frames and other production residues.

The gross profit margin of our computing application PCBs increased from 28.8% in 2022 to 38.0% in 2023, primarily due to (i) a higher proportion of sales of high-layer-count PCBs, which generally involve greater technological complexity and the use of more advanced raw materials, and therefore achieve higher selling prices; and (ii) enhancements of certain of our PCB products used in AI servers, introduced in response to upgrades in computing platforms adopted in customers' server products. The gross profit margin of computing application PCBs remained relatively stable at 37.8% in the nine months ended September 30, 2024, and 36.2% in the nine months ended September 30, 2025.

The gross profit margin of our industrial application PCBs increased from 5.2% in 2022 to 8.6% in 2023, mainly due to a more balanced product mix. In 2024, we recorded a gross loss margin of negative 1.0%. This was primarily attributable to losses incurred on certain communication-related products sold to a customer we engaged for strategic cooperation. Our gross profit margin increased to 7.9% in the nine months ended September 30, 2025.

The gross profit margin of our consumer application PCBs was 5.4% in 2022, 8.5% in 2023 and 1.6% in 2024. Such gross profit margin was comparatively lower than that of our computing application PCBs, primarily due to (i) the higher technological complexity of our computing application PCBs, and (ii) the ramp-up of our Huangshi base during the years of 2022, 2023 and 2024, resulting in higher fixed costs per unit and therefore lower profitability. In the nine months ended September 30, 2025, the gross profit margin increased to 9.8%, mainly attributable to (i) optimization of the consumer application product mix with relatively higher layer counts, and (ii) the increased production capacity for our Huangshi base, which improved production efficiency and reduced fixed costs per unit.

The gross profit margin of our other products was 87.8%, 90.8%, 94.3%, 90.5% and 94.0% in 2022, 2023, 2024, and the nine months ended September 30, 2024 and 2025, respectively. The comparatively high gross profit margin of our other products reflects the nature of these items, which are by-products of our manufacturing operations and therefore incur minimal additional production costs.

Gross Profit and Gross Profit Margin by Product Category

The table below sets forth a breakdown of our gross profit and gross profit margin by product category for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000 Gross Profit	*(%) Gross Margin*	*RMB'000 Gross Profit*	*(%) Gross Margin*	*RMB'000 Gross Profit*	*(%) Gross Margin*	*RMB'000 Gross Profit*	*(%) Gross Margin*	*RMB'000 Gross Profit*	*(%) Gross Margin*
							(unaudited)			
PCBs										
Multilayer PCBs										
Six and below layers	73,983	13.4	83,956	14.0	76,700	12.0	58,445	11.8	74,731	15.4
Eight to 16 layers	345,487	23.7	533,067	33.5	633,520	30.1	474,708	31.7	683,766	30.7
18 and above layers	25,991	40.1	89,479	52.0	170,590	43.6	127,799	44.7	250,792	41.8
Subtotal	**445,461**	**21.4**	**706,502**	**29.9**	**880,810**	**28.1**	**660,952**	**29.0**	**1,009,289**	**30.4**
HDI PCBs	**59,735**	**30.7**	**57,200**	**32.5**	**125,307**	**36.6**	**85,624**	**35.9**	**82,457**	**31.9**
Subtotal	**505,196**	**22.2**	**763,702**	**30.1**	**1,006,117**	**28.9**	**746,576**	**29.6**	**1,091,746**	**30.5**
Other Products[(1)]	**123,472**	**87.8**	**128,140**	**90.8**	**240,343**	**94.3**	**146,101**	**90.5**	**244,792**	**94.0**
Total	**628,668**	**26.1**	**891,842**	**33.3**	**1,246,460**	**33.4**	**892,677**	**33.3**	**1,336,538**	**34.8**

Note:

(1) Other products primarily include recyclable materials such as etching liquids, lamination frames and other production residues.

Our gross profit increased by 41.9% from RMB628.7 million in 2022 to RMB891.8 million in 2023, and further increased by 39.8% to RMB1,246.5 million in 2024. Our gross profit increased by 49.7% from RMB892.7 million in the nine months ended September 30, 2024 to RMB1,336.5 million in the nine months ended September 30, 2025. The increase in our gross profit for the nine months ended September 30, 2025 was primarily driven by our initiatives to improve our gross profit and gross profit margin through long-term cost reduction and efficiency enhancement measures. On the procurement and supply chain side, we implement measures such as negotiating pricing for large-scale projects and leveraging market competition to secure more favorable material costs, and our R&D and engineering teams aim to determine material selection strategies that balance customer requirements with cost efficiency. On the production and process side, we continuously upgrade our equipment base with advanced, high-precision, energy-saving and automated systems.

Our gross profit margin remained relatively stable at 33.3% and 33.4% in 2023 and 2024, respectively, and at 33.3% and 34.8% in the nine months ended September 30, 2024 and 2025, respectively. Our gross profit margin increased from 26.1% in 2022 to 33.3% in 2023, primarily due to (i) the increase in our sales of higher-margin PCBs featured high-layer-count, in particular of those used in computing servers, (ii) foreign exchange rate fluctuations, which increased Renminbi value of revenues denominated in US dollar, (iii) the decrease in the procurement prices of key raw materials, and (iv) our cost-control initiatives, including process optimization and production automation.

In 2024, we recorded gross loss from our sales of industrial application PCBs, primarily due to changes in customer mix and evolving cost structures. In particular, the proportion of domestic sales with relatively lower gross margins increased, in line with our strategies to strengthen relationships with key domestic customers, expand product diversity and increase overall wallet share. Meanwhile, the technological upgrades in this application has led to greater complexity in PCB development and manufacturing, contributing to higher costs.

Other Income and Gains

In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, our other income, gains amounted to RMB84.7 million, RMB32.6million, RMB91.2 million, RMB35.4 million and RMB49.3 million, representing 3.5%, 1.2%, 2.4%, 1.3% and 1.3%, respectively, of our total revenue.

The following table sets forth a breakdown of our other income, both in absolute amounts and as a percentage of our total other income for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000* *(unaudited)*	*(%)*	*RMB'000*	*(%)*
Other income										
Interest income	1,554	1.8	4,473	13.7	17,353	19.0	12,288	34.6	14,877	30.2
Government grants	11,199	13.3	18,841	57.8	21,859	23.9	16,152	45.6	21,419	43.4
Others	877	1.0	345	1.1	416	0.5	314	0.9	1,477	3.0
Subtotal	**13,630**	**16.1**	**23,659**	**72.6**	**39,628**	**43.4**	**28,754**	**81.1**	**37,773**	**76.6**
Gains										
Gains on foreign exchange differences	71,074	83.9	8,936	27.4	48,612	53.3	4,098	11.6	1,514	3.1
Fair value gains on financial assets at fair value through profit or loss	–	–	–	–	2,972	3.3	1,693	4.8	3,686	7.5
Fair value gains on derivative financial instruments at fair value through profit or loss	–	–	–	–	–	–	875	2.5	6,188	12.5
Others	6	–	–	–	–	–	–	–	154	0.3
Subtotal	**71,080**	**83.9**	**8,936**	**27.4**	**51,584**	**56.6**	**6,666**	**18.9**	**11,542**	**23.4**
Total	**84,710**	**100.0**	**32,595**	**100.0**	**91,212**	**100.0**	**35,420**	**100.0**	**49,315**	**100.0**

Comparison between the nine months ended September 30, 2025 and the nine months ended September 30, 2024: Our other income and gains decreased by 39.2% from RMB35.4 million in the nine months ended September 30, 2024 to RMB49.3 million in the nine months ended September 30, 2025, primarily due to lower foreign exchange gains, as the depreciation of Renminbi against the US dollar in the first half of 2024 did not recur in the same period of 2025.

Comparison between 2024 and 2023: Our other income and gains increased by 179.8% from RMB32.6 million in 2023 to RMB91.2 million in 2024, primarily due to (i) the increase in gain on foreign exchange differences, as a result of (a) Renminbi depreciated against US dollar during the year, resulting in exchange gains on our US dollar-denominated assets and (b) the increase in our US dollar-denominated assets in line with our business growth and (ii) the increase in interest income as a result of our higher cash balances partially from the proceeds raised from previous A Share Listing.

Comparison between 2023 and 2022: Our other income and gains decreased by 61.5% from RMB84.7 million in 2022 to RMB32.6 million in 2023, primarily due to the decrease in gain on foreign exchange differences, as 2023 experienced a period of Renminbi appreciation at the beginning of the year then experienced the RMB depreciation, compared to the more notable depreciation of RMB in 2022.

Government grants we received during the Track Record Period mainly represent incentives and subsidies granted by local governments in China. These include support measures for (i) research and development activities, (ii) local economic contributions such as employment and tax contribution incentives, and (iii) purchases of property, plant and equipment to support capacity expansion and technological upgrade, in line with relevant supportive policies. Our government grants are typically non-recurring in nature, with no unfulfilled conditions or contingencies attached to them, and the amount of such grants was subject to the discretion of the relevant government authorities.

Selling and Marketing Expenses

In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, our selling and marketing expenses amounted to RMB69.0 million, RMB85.3 million, RMB106.6 million, RMB76.6 million and RMB91.5 million, representing 2.9%, 3.2%, 2.9%, 2.9% and 2.4%, respectively, of our total revenue.

The table below sets forth a breakdown of our selling and marketing expenses, both in absolute amounts and as percentages of our total selling and marketing expenses, for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000* *(unaudited)*	*(%)*	*RMB'000*	*(%)*
Commission	32,984	47.8	39,632	46.5	55,174	51.7	39,939	52.1	42,415	46.3
Employee compensation	25,216	36.5	29,734	34.9	34,730	32.6	23,053	30.1	31,595	34.5
Business entertainment expenses	4,238	6.1	7,409	8.7	8,961	8.4	6,435	8.4	7,375	8.1
Insurance	2,376	3.4	1,747	2.0	1,833	1.7	1,429	1.9	1,564	1.7
Traveling expenses	983	1.4	2,354	2.8	2,500	2.3	1,931	2.5	2,029	2.2
Freight	858	1.2	1,062	1.2	960	0.9	617	0.8	681	0.7
Customs declaration charges	848	1.2	996	1.2	814	0.8	629	0.8	748	0.8
Others	1,515	2.2	2,353	2.8	1,648	1.5	2,605	3.4	5,109	5.7
Total	**69,018**	**100.0**	**85,287**	**100.0**	**106,620**	**100.0**	**76,638**	**100.0**	**91,516**	**100.0**

Our selling and marketing expenses increased by 23.6% from RMB69.0 million in 2022 to RMB85.3 million in 2023, further increased by 25.0% to RMB106.6 million in 2024 and increased by 19.4% from RMB76.6 million in the nine months ended September 30, 2024 to RMB91.5 million in the nine months ended September 30, 2025, primarily due to (i) the increase in commission as a result of higher sales from existing customers through our sales partners, particularly for high-layer-count PCBs which usually carry relatively higher commission rates (see "Business — Sales and Marketing — Sales Partners" for details) and (ii) the increase in employee compensation attributable to the increasing sales and marketing personnel headcount and salaries.

Administrative Expenses

In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, our administrative expenses amounted to RMB104.5 million, RMB118.5 million, RMB157.5 million, RMB92.7 million and RMB174.0 million, representing 4.3%, 4.4%, 4.2%, 3.5% and 4.5%, respectively, of our total revenue.

The table below sets forth a breakdown of our administrative expenses, both in absolute amounts and as percentages of our total administrative expenses, for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000* *(unaudited)*	*(%)*	*RMB'000*	*(%)*
Employee compensation	54,655	52.3	58,899	49.7	77,327	49.1	46,869	50.5	61,614	35.4
Taxes and surcharges	12,657	12.1	20,788	17.5	24,078	15.3	19,245	20.8	21,258	12.2
Share-based payments	7,392	7.1	6,554	5.5	15,386	9.8	2,369	2.6	45,282	26.0
Depreciation and amortization	7,811	7.5	8,450	7.1	10,604	6.7	7,405	8.0	11,792	6.8
Professional service fees	4,203	4.0	5,801	4.9	10,792	6.9	4,027	4.3	10,800	6.2
Office expenses	2,961	2.8	2,492	2.1	3,422	2.2	2,521	2.7	5,332	3.1
Lease expenses	1,801	1.7	1,766	1.5	2,048	1.3	1,232	1.3	1,782	1.0
Utility fees	1,384	1.3	1,595	1.3	1,264	0.8	1,454	1.6	849	0.5
Business entertainment expenses	773	0.7	1,646	1.4	772	0.5	577	0.6	1,520	0.9
Traveling expenses	1,155	1.1	1,316	1.1	2,002	1.3	930	1.0	2,328	1.3
Banking charges	3,246	3.1	2,089	1.8	1,466	0.9	1,080	1.2	1,515	0.9
Others	6,484	6.2	7,142	6.0	8,330	5.3	5,037	5.4	9,966	5.7
Total	**104,522**	**100.0**	**118,538**	**100.0**	**157,491**	**100.0**	**92,746**	**100.0**	**174,038**	**100.0**

Our administrative expenses increased by 13.4% from RMB104.5 million in 2022 to RMB118.5 million in 2023, further increased by 32.9% to RMB157.5 million in 2024, and increased by 87.7% from RMB92.7 million in the nine months ended September 30, 2024 to RMB174.0 million in the nine months ended September 30, 2025 primarily due to (i) the increase in our share-based payments, (ii) rising headcount and salaries following the commencement of production at our production facility in Thailand, and (iii) the increase in taxes and surcharges driven by the growth in our revenue during the same year or period.

Research and Development Expenses

In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, our research and development expenses amounted to RMB115.1 million, RMB120.6 million, RMB179.2 million, RMB130.5 million and RMB193.9 million, representing 4.8%, 4.5%, 4.8%, 4.9% and 5.1%, respectively, of our total revenue.

The following table sets out a breakdown of our research and development expenses, both in absolute amounts and as percentages of our total research and development expenses, for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000* *(unaudited)*	*(%)*	*RMB'000*	*(%)*
Employee compensation	51,681	44.9	59,735	49.5	79,533	44.4	52,948	40.6	78,271	40.4
Materials and power expenses	53,934	46.9	46,557	38.6	81,526	45.5	62,162	47.6	99,359	51.2
Depreciation and amortization	6,520	5.7	7,887	6.5	11,056	6.2	8,337	6.4	10,919	5.6
Testing and service fees	2,548	2.2	5,679	4.7	6,484	3.6	6,715	5.1	4,578	2.4
Others	412	0.4	731	0.6	598	0.3	350	0.3	793	0.4
Total	**115,095**	**100.0**	**120,589**	**100.0**	**179,197**	**100.0**	**130,512**	**100.0**	**193,920**	**100.0**

Our research and development expenses increased by 4.8% from RMB115.1 million in 2022 to RMB120.6 million in 2023, further increased by 48.6% to RMB179.2 million in 2024 and increased by 48.6% from RMB130.5 million in the nine months ended September 30, 2024 to RMB193.9 million in the nine months ended September 30, 2025, primarily due to (i) the increase in materials and power expenses as we increased our investment in research and development to maintain our technological competitiveness and support our business expansion, and (ii) the rising R&D staff headcount and salaries.

Other Expenses

The table below sets forth details of our other expenses, both in absolute amounts and as percentages of our total other expenses, for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000* *(unaudited)*	*(%)*	*RMB'000*	*(%)*
Impairment loss on inventories	66,937	65.3	33,331	37.4	71,771	61.9	45,129	74.9	60,333	68.2
Impairment loss on assets	16,645	16.3	729	0.8	7,501	6.5	–	–	154	0.2
Loss on changes in fair value of derivative financial instruments	21,160	20.7	41,537	46.6	14,929	12.9	–	–	–	–
Non-operating expenses	1,129	1.1	1,539	1.7	3,314	2.9	3,096	5.1	1,239	1.4
Costs of disposal of assets	–	–	582	0.7	631	0.5	416	0.7	–	–
Impairment loss on financial assets	(3,439)	(3.4)	11,495	12.9	17,870	15.4	11,618	19.3	26,723	30.2
Total	**102,432**	**100.0**	**89,213**	**100.0**	**116,016**	**100.0**	**60,259**	**100.0**	**88,449**	**100.0**

Comparison between the nine months ended September 30, 2025 and nine months ended September 30, 2024: Our other expenses increased by 46.8% from RMB60.3 million in the nine months ended September 30, 2024 to RMB88.4 million in the nine months ended September 30, 2025, primarily due to (i) an increase in impairment loss on inventories, as our Thai Base was in the ramp-up stage with relatively lower utilization rate and fixed production costs were spread over relatively fewer units, which led to the carrying cost of certain inventories higher than their expected net realizable value; and (ii) an increase in impairment loss on assets, mainly due to the replacement of certain production equipment in connection with the technology upgrade of our Guangzhou base.

Comparison between 2024 and 2023: Our other expenses increased by 30.0% from RMB89.2 million in 2023 to RMB116.0 million in 2024, primarily due to the increase in impairment loss on inventories in line with our business expansion and the scale of our inventories, which was partially offset by the decrease in loss on changes in fair value of derivative financial instruments, as a result of relatively stable US dollar – Renminbi exchange rate fluctuations during 2024.

Comparison between 2023 and 2022: Our other expenses decreased by 12.9% from RMB102.4 million in 2022 to RMB89.2 million in 2023, primarily due to the decrease in impairment loss on inventories compared to 2022, as demand for our PCBs was temporarily deferred in 2022 due to a short-term chip shortage experienced by certain downstream customers and we consequently recognized impairment loss on inventories in 2022, which was partially offset by the increase in losses on changes in fair value of derivative financial instruments driven by fluctuations in the US dollar – Renminbi exchange rate in 2023. At the end of 2022, a short-term market shortage of semiconductor chips occurred, which constrained the production capacity of certain customers reliant on these chips. As a result, these customers reduced their procurement from us, leading to a temporary build-up of aged inventory within our stock. Due to the nature of these products, the quality and saleability of such inventory declined over time, causing a decrease in the net realizable value. Consequently, we increased its provision for inventory impairment to reflect the reduced recoverable amount of these affected stock items.

Finance Costs

The table below sets forth details of our finance costs, both in absolute amounts and as percentages of our total finance costs, for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000* *(unaudited)*	*(%)*	*RMB'000*	*(%)*
Interest on bank and other borrowings	10,742	92.1	13,074	93.9	16,113	101.6	12,260	102.6	14,425	99.7
Interest on lease liabilities	924	7.9	1,318	9.5	212	1.3	140	1.2	41	0.3
Less: Interest capitalized	–	–	(465)	(3.3)	(458)	(2.9)	(458)	(3.8)	–	–
Total	**11,666**	**100.0**	**13,927**	**100.0**	**15,867**	**100.0**	**11,942**	**100.0**	**14,466**	**100.0**

Our finance costs increased by 19.4% from RMB11.7 million in 2022 to RMB13.9 million in 2023, further increased by 13.9% to RMB15.9 million in 2024, and increased by 21.1% from RMB11.9 million in the nine months ended September 30, 2024 to RMB14.5 million in the nine months ended September 30, 2025, primarily due to the increase in our bank and other borrowings to (i) fund the construction of our production facility in Thailand, and (ii) support our capital expenditures, including the construction of new production facilities in China and the equipment and technology upgrade projects.

Income Tax Expense

The table below sets forth a breakdown of our income tax expense, both in absolute amounts and as percentages of our total income tax expense, for the years/periods indicated:

	Year ended December 31,						Nine months ended September 30,			
	2022		2023		2024		2024		2025	
	RMB'000	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*	*RMB'000*	*(%)*
							(unaudited)			
Current income tax	31,536	101.7	75,881	92.3	111,530	129.1	78,957	124.3	91,184	91.5
Deferred income tax	(542)	(1.7)	6,316	7.7	(25,149)	(29.1)	(15,452)	(24.3)	8,461	8.5
Total	**30,994**	**100.0**	**82,197**	**100.0**	**86,381**	**100.0**	**63,505**	**100.0**	**99,645**	**100.0**

Our income tax expense increased by 165.2% from RMB31.0 million in 2022 to RMB82.2 million in 2023, increased by 5.1% to RMB86.4 million in 2024, and increased by 56.9% from RMB63.5 million in the nine months ended September 30, 2024 to RMB99.6 million in the nine months ended September 30, 2025, generally in line with the increase in our profit before tax.

In 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, our effective tax rates were 10.0%, 16.5%, 11.3%, 11.4% and 12.1%, respectively, which were lower than the 25% statutory rate, primarily because both we and certain of our subsidiaries enjoyed preferential tax treatments. See Note 10 to the Accountants' Report in Appendix I to this Prospectus for more details.

Profit for the Year/Period

As a result of the foregoing, our profit for the year/period increased by 48.3% from RMB279.7 million in 2022 to RMB414.7 million in 2023 and further increased by 63.0% to RMB676.1 million in 2024, our profit for the year/period increased by 47.0% from RMB492.5 million in the nine months ended September 30, 2024 to RMB723.8 million in the nine months ended September 30, 2025.

LIQUIDITY AND CAPITAL RESOURCES

Overview

Our use of cash was primarily related to operating activities and capital expenditure. We have historically financed our operations through cash generated from our operating activities, investing activities and financing activities. As of September 30, 2025, we had available cash and cash equivalents of RMB702.4 million. Our available cash and cash equivalents comprise cash denominated in US dollar, Renminbi, Euro, Thai Baht and Hong Kong dollar. See Note 24 to the Accountants' Report in Appendix I to this Prospectus for more details. Going forward, we believe that our liquidity requirements will be satisfied with a combination of our internal resources, cash flows generated from our operating activities and net proceeds from the Global Offering. See "— Selected Balance Sheet Items" for discussions of our working capitals.

Working Capital Sufficiency

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

Cash Flows Analysis

The following table sets forth selected cash flow statement information for the years/periods indicated:

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Net cash flows generated from operating activities	430,866	527,513	796,285	619,722	759,552
Net cash flows used in investing activities	(455,536)	(424,864)	(1,123,735)	(684,717)	(637,990)
Net cash flows generated from/(used in) financing activities	106,011	43,132	609,070	494,309	(66,632)
Net increase in cash and cash equivalents	**81,341**	**145,781**	**281,620**	**429,314**	**54,930**
Cash and cash equivalents at the beginning of the year/period	106,937	200,047	349,203	349,203	635,071
Effect of foreign exchange rate changes, net	11,769	3,375	4,248	13,603	12,424
Net increase in cash and cash equivalents	81,341	145,781	281,620	429,314	54,930
Cash and cash equivalents at the end of the year/period	**200,047**	**349,203**	**635,071**	**792,120**	**702,425**

Operating Activities

Our net cash flow generated from operating activities in the nine months ended September 30, 2025 was RMB759.6 million, primarily attributable to our profit before tax of RMB823.5 million, as adjusted by (i) non-cash and non-operating items such as interest income of RMB14.9 million and foreign exchange gains, net, of RMB1.5 million, which were primarily offset by depreciation of property, plant and equipment of RMB150.0 million, write-down of inventories to net realizable value of RMB60.3 million, share-based payment expenses of RMB45.3 million and impairment losses on financial assets, net of RMB26.7 million, (ii) the effects of movement in working capital such as the increase in trade and bills receivables of RMB465.6 million, which was primarily offset by the increase in trade and bills payables of RMB384.2 million and decrease in other payables and accruals of RMB48.5 million and (iii) income taxes paid of RMB91.2 million. Our net cash flow generated from operating activities in 2024 was RMB796.3 million, primarily attributable to our profit before tax of RMB762.5 million, as adjusted by (i) non-cash and non-operating items such as interest income of RMB17.4 million and foreign exchange gains, net, of RMB7.4 million, which was primarily offset by depreciation of property, plant and equipment of RMB153.5 million and write-down of inventories to net realizable value of RMB71.8 million, (ii) the effects of movement in working capital such as the increase in trade and bills receivables of RMB424.1 million, which was primarily offset by the increase in trade and bills payables of RMB231.9 million and increase in other payables and accruals of RMB121.3 million and (iii) income taxes paid of RMB111.5 million. Our net cash flow generated from operating activities in

2023 was RMB527.5 million, primarily attributable to our profit before tax of RMB496.9 million, as adjusted by (i) non-cash and non-operating items such as foreign exchange gains, net, of RMB21.0 million and interest income of RMB4.5 million, which was primarily offset by depreciation of property, plant and equipment of RMB144.0 million and write-down of inventories to net realizable value of RMB33.3 million, (ii) the effects of movement in working capital such as the increase in trade and bills receivables of RMB206.9 million, which was partially offset by the increase in trade and bills payables of RMB142.2 million and increase in other payables and accruals of RMB26.4 million and (iii) income taxes paid of RMB75.9 million. Our net cash flow generated from operating activities in 2022 was RMB430.9 million, primarily attributable to our profit before tax of RMB310.6 million, as adjusted by (i) non-cash and non-operating items such as foreign exchange gains, net, of RMB31.9 million and interest income of RMB1.6 million, which was primarily offset by depreciation of property, plant and equipment of RMB121.4 million and write-down of inventories to net realizable value of RMB66.9 million, (ii) the effects of movement in working capital such as the decrease in trade and bills payables of RMB307.6 million and increase in deferred income of RMB67.8 million, which was partially offset by the increase in other payables and accruals of RMB109.6 million and (iii) income taxes paid of RMB31.5 million.

Investing Activities

In the nine months ended September 30, 2025, our net cash used in investing activities amounted to RMB638.0 million, which primarily resulted from (i) withdrawal of financial assets at fair value through profit or loss of RMB923.8 million and (ii) purchases of items of property, plant and equipment of RMB716.9 million, partially offset by placement of financial assets at fair value through profit or loss of RMB823.8 million. In 2024, our net cash used in investing activities amounted to RMB1,123.7 million, which primarily resulted from placement of financial assets at fair value through profit or loss of RMB1,316.0 million and purchases of items of property, plant and equipment of RMB814.8 million, and was partially offset by withdrawal of financial assets at fair value through profit or loss of RMB1,026.0 million. In 2023, our net cash used in investing activities amounted to RMB424.9 million, which primarily resulted from purchases of items of property, plant and equipment of RMB398.0 million and investment loss from derivative financial instruments of RMB22.5 million, and was partially offset by proceeds from disposal of items of property, plant and equipment of RMB1.7 million. In 2022, our net cash used in investing activities amounted to RMB455.5 million, which primarily resulted from purchases of items of property, plant and equipment of RMB445.3 million, and was partially offset by purchases of intangible assets of RMB10.9 million.

Financing Activities

In the nine months ended September 30, 2025, our net cash used in financing activities amounted to RMB66.6 million, which primarily resulted from dividend paid of RMB203.9 million and repayment of bank and other borrowings of RMB115.0 million, partially offset by new bank and other borrowings of RMB268.9 million. In 2024, our net cash generated from financing activities amounted to RMB609.1 million, which primarily resulted from proceeds from issue of shares of RMB790.3 million and new bank and other borrowings of RMB220.8 million, and was partially offset by repayment of bank and other borrowings of RMB193.1 million and dividend paid of RMB105.6 million. In 2023, our net cash generated from financing activities amounted to RMB43.1 million, which primarily resulted from new bank and other borrowings RMB320.4 million and withdrawal of pledged deposits of RMB234.5 million, which was partially offset by repayment of bank and other borrowings of RMB246.8 million and placement of pledged deposits of RMB235.2 million. In 2022, our net cash generated from financing activities amounted to RMB106.0 million, which primarily resulted from new bank and other borrowings of RMB424.0 million and withdrawal of pledged deposits of RMB366.5 million, and was partially offset by placement of pledged deposits of RMB376.4 million and repayment of bank and other borrowings of RMB277.8 million.

SELECTED BALANCE SHEET ITEMS

Net Current Assets/Liabilities

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

	As of December 31,			As of September 30,	As of January 31,
	2022	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*
CURRENT ASSETS					
Inventories	355,583	396,914	458,550	621,243	829,408
Trade and bills receivables	704,733	886,657	1,292,954	1,731,367	2,085,266
Prepayments, deposits and other receivables	55,543	74,851	83,775	111,619	177,284
Financial assets at fair value through profit or loss	–	–	291,070	191,509	90,794
Derivative financial instruments	–	–	–	614	1,632
Financial assets at fair value through other comprehensive income	–	13,012	1,048	1,427	2,953
Pledged and restricted deposits	81,063	82,064	86,210	93,052	108,453
Cash and cash equivalents	200,047	349,203	635,071	702,425	567,309
Total current assets	**1,396,969**	**1,802,701**	**2,848,678**	**3,453,256**	**3,863,099**
CURRENT LIABILITIES					
Trade and bills payables	1,129,255	1,221,691	1,646,602	2,075,794	2,471,396
Other payables and accruals	155,870	131,325	267,563	235,813	270,121
Derivative financial instruments	–	1,422	8,088	–	–
Tax payable	4,837	32,232	31,884	31,572	42,222
Contract liabilities	9,078	6,304	7,379	12,690	6,510
Interest-bearing bank and other borrowings	186,813	152,374	220,973	232,328	361,404
Lease liabilities	14,382	9,853	433	629	624
Total current liabilities	**1,500,235**	**1,555,201**	**2,182,922**	**2,588,826**	**3,152,277**
NET CURRENT (LIABILITIES)/ ASSETS	**(103,266)**	**247,500**	**665,756**	**864,430**	**710,822**

Our net current assets remained stable from RMB864.4 million as of September 30, 2025 to RMB710.8 million as of January 31, 2026.

Our net current assets increased from RMB665.8 million as of December 31, 2024 to RMB864.4 million as of September 30, 2025, primarily due to the increase in trade and bills receivables of RMB438.4 million, the increase in inventories of RMB162.7 million, as well as the increase in cash and cash equivalents of RMB67.4 million, partially offset by the increase in trade and bills payables of RMB429.2 million. Our net current assets increased from RMB247.5 million as of December 31, 2023 to RMB665.8 million as of December 31, 2024, primarily due to the increase in trade and bills receivables of RMB406.3 million and the increase in cash and cash equivalents of RMB285.9 million. We recorded net current liabilities of RMB103.3 million as of December 31, 2022 and reversed to record net current assets of RMB247.5 million as of December 31, 2023, primarily due to the increase in trade and bills receivables of RMB181.9 million and the increase in cash and cash equivalent of RMB149.2 million.

Inventories

Our inventories comprise raw materials and consumables, work in progress, finished goods, contract costs and goods in transit. The following table sets forth a breakdown of our inventories as of the dates indicated:

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Raw materials and consumables	32,240	47,440	74,157	137,609
Work in progress	61,540	80,242	134,653	220,664
Finished goods	200,525	193,972	206,894	237,375
Goods in transit	130,149	135,647	119,760	97,479
Subtotal	**424,454**	**457,301**	**535,464**	**693,127**
Impairment	(68,871)	(60,387)	(76,914)	(71,884)
Total	**355,583**	**396,914**	**458,550**	**621,243**

Our inventories increased by 35.5% from RMB458.6 million as of December 31, 2024 to RMB621.2 million as of September 30, 2025, primarily due to (i) the increase in work-in-progress inventories resulting from higher order volume and the corresponding expansion of our production scale as our revenue grew during the period; (ii) the increase in inventory levels of raw materials and consumables in response to stronger market demand; and (iii) the increase in inventories at both our domestic production facilities and our Thai Base as the latter transitioned from its preparation stage to the commencement of mass production.

Our inventories increased by 15.5% from RMB396.9 million as of December 31, 2023 to RMB458.6 million as of December 31, 2024, primarily due to (i) the increase in our work-in-progress inventories due to higher order volume and the commencement of operations at our production facility in Dongguan, which expanded our in-process production capacity and (ii) the increase in our inventory levels, including raw materials and consumables in response to stronger market demand in 2024.

Our inventories increased by 11.6% from RMB355.6 million as of December 31, 2022 to RMB396.9 million as of December 31, 2023, primarily due to (i) an increase in raw material procurement to support higher sales in the second half of 2023 and (ii) our proactive stocking of key raw materials in anticipation of business expansion and rising order volumes in 2023.

The following table set out the aging analysis of our inventories as of the dates indicated:

	As of December 31,			As of September 30,
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Less than six months	275,698	349,861	475,764	629,492
Over six months but less than 1 year	107,818	20,684	24,396	22,077
More than 1 year	40,940	86,756	35,304	41,558
Subtotal	**424,456**	**457,300**	**535,463**	**693,127**
Impairment	(68,873)	(60,386)	(76,913)	(71,884)
Total	**355,583**	**396,914**	**458,550**	**621,243**

The following table sets forth the turnover days of our inventories for the years/periods indicated:

	Year ended December 31,			Nine months ended September 30,
	2022	**2023**	**2024**	**2025**
Inventories turnover days[(1)]	93	89	72	66

Note:

(1) Inventories turnover days were calculated based on the average of the beginning and ending balances of inventories (before impairment) of a given year/period divided by the cost of sales for that corresponding year/period and multiplied by the number of days in that year/period.

Our inventories turnover days remained relatively stable at 93 days and 89 days in 2022 and 2023, respectively. Our inventories turnover days decreased from 89 days in 2023 to 72 days in 2024, and further deceased to 66 days in the nine months ended September 30, 2025, primarily due to faster inventories turnover driven by increased market demand and the expansion of our sales scale.

As of January 31, 2026, RMB524.6 million, or 75.7% of our inventories as of September 30, 2025 had been utilized or sold. We assess the inventory turnover days for the Track Record Period. Considering that (i) turnover metrics continued to decrease and consistent with industry norms, (ii) based on such analysis, and in accordance with our accounting policies, we have made sufficient provisions for inventories, (iii) a substantial part of the remaining inventories had already been allocated to our ongoing projects, there is no recoverability or obsolescence issue that would materially impact our financial position.

Trade and Bills Receivables

The balance of our trade and bills receivables mainly represented receivables from customers for sales of our products. The table below sets forth our trade and bill receivables as of the dates indicated:

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	634,633	883,879	1,226,052	1,705,921
Bills receivable	103,350	47,494	129,469	115,170
Impairment	(33,250)	(44,716)	(62,567)	(89,724)
Total	**704,733**	**886,657**	**1,292,954**	**1,731,367**

Our balance of trade and bills receivables increased by 25.8% from RMB704.7 million as of December 31, 2022 to RMB886.7 million as of December 31, 2023 and further increased by 45.8% to RMB1,293.0 million as of December 31, 2024, and further increased to RMB1,731.4 million as of September 30, 2025 generally in line with our revenue growth during the Track Record Period, which was primarily driven by the increasing customer demand for our server PCBs and others.

The following table sets forth an aging analysis of the trade and bills receivables, based on the invoice date and net of loss allowance, as of the dates indicated:

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	704,733	886,635	1,292,530	1,730,943
Over 1 year but less than 2 years	–	22	424	424
Total	**704,733**	**886,657**	**1,292,954**	**1,731,367**

The following table sets forth our trade receivables turnover days during the years/periods indicated:

	Year ended December 31,			Nine months ended September 30,
	2022	2023	2024	2025
Trade receivables turnover days[(1)]	103	102	102	103

Note:

(1) Trade receivables turnover days were calculated based on the average of opening and closing balances of trade receivables (before impairment) for the relevant year/period, divided by the revenue for the same year/period and multiplied by the number of days for years, or adjusted on a pro-rata basis for the period.

Our trade receivables turnover days remained relatively stable at 103 days, 102 days, 102 days and 103 days in 2022, 2023, 2024 and the nine months ended September 30, 2025, respectively.

During the Track Record Period, we did not experience any significant losses associated with our trade receivables and the increase in our trade receivables did not have any material adverse impact on our liquidity or cash flows.

As of January 31, 2026, RMB1,550.8 million, or 90.9% of our total trade receivables as of September 30, 2025, had been settled. We assess the accounts receivable turnover days for the Track Record Period. Considering that (i) turnover metrics remained consistent with our historical levels and industry norms, (ii) based on such analysis, and in accordance with our accounting policies, we have made sufficient provisions for trade receivables, (iii) the outstanding trade receivables are sustained by contractual agreements, and (iv) in line with our historical collection experience, there is no recoverability or obsolescence issue that would materially impact our financial position.

Prepayments, Deposits and Other Receivables

Our prepayments, deposits and other receivables primarily include prepayments, deposits, other receivables, value-added tax recoverable, tax repayments and A Shares listing expenses.

The following table sets forth the 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'000	*RMB'000*	*RMB'000*	*RMB'000*
Prepayments	5,823	10,177	73,503	55,919
Deposits	9,797	10,366	10,804	10,822
Other receivables	2,682	3,542	2,428	8,503
Value-added tax recoverable	35,156	55,497	68,075	71,702
Tax repayments	2,631	–	532	–
A Shares listing expenses	3,170	5,151	–	–
H Shares listing expenses	–	–	–	14,866
Less: Non-current portion	(2,664)	(8,801)	(70,464)	(49,537)
Provision for impairment of other receivables	(1,052)	(1,081)	(1,103)	(656)
Total	**55,543**	**74,851**	**83,775**	**111,619**

Our prepayments, deposits and other assets increased from RMB55.5 million as of December 31, 2022 to RMB74.9 million as of December 31, 2023, to RMB83.8 million as of December 31, 2024, and further to RMB111.6 million as of September 30, 2025, mainly due to the increase in value-added tax recoverable as a result of our purchases of production equipment for the expansion of our production facilities in Huangshi and the construction of plant and acquisition of equipment for our production facilities in Dongguan and Thailand, and the increased H Shares listing expenses.

Our prepayments increased significantly from RMB10.2 million as of December 31, 2023 to RMB73.5 million as of December 31, 2024, mainly due to the significant increase in prepayments for equipment procurement and construction projects for our manufacturing facilities in Thailand and the technical upgrade project at our Guangzhou facility. As the majority of these prepayments related to long-term capital expenditure projects, they have been reclassified as other non-current assets, resulting in an increase in the non-current portion of prepayments from RMB8.8 million as of December 31, 2023 to RMB70.5 million as of December 31, 2024. For further details, please see "Other Non-Current Assets."

As of January 31, 2026, RMB84.3 million, or 75.1% of our total prepayments, deposits and other receivables as of September 30, 2025, had been subsequently settled.

Financial Assets at Fair Value through Profit or Loss

Our financial assets at fair value through profit or loss included wealth management of principal-guaranteed structured deposits with low risks, primarily to generate additional returns on cash reserves, while ensuring liquidity and capital preservation. The returns of our structured deposits are tied to the performance of certain financial assets portfolio. Our financial assets at fair value through profit or loss decreased from RMB291.1 million as of December 31, 2024 to RMB191.5 million as of September 30, 2025, primarily due to the withdrawal of certain structured deposits to fund capital injections into our subsidiaries. See Note 22 to the Accountants' Report in Appendix I to this Prospectus for more details of our financial assets at fair value through profit or loss.

We have established comprehensive investment policies and strategies with respect to financial products, to ensure compliance, safeguard assets and manage risks effectively. We make investment decisions on a case-by-case basis after considering various factors, including but not limited to macro-economic environment, general market conditions, risk control and credit of the banks, our own strategic needs and working capital conditions and the expected profit of the investment. Key features of our investment policy include: (i) all investments must be approved by our Board or Shareholders' meeting, depending on the size and nature of the investment, (ii) our general manager and relevant departments are responsible for investment project evaluation and planning. Our finance department handles budgeting, fund allocation, accounting and monitoring. Our legal team reviews key contracts, while the Board secretary oversees disclosure to public investors, (iii) we do not invest in high-risk products and only invest when we have sufficient liquidity and ensure our investments do not affect normal operations or capital expenditures. After Listing, our investments in financial products will be subject to compliance with Chapter 14 of the Listing Rules.

Financial Assets at Fair Value through Other Comprehensive Income

Our financial assets at fair value through other comprehensive income primarily consist of bank acceptance that we held for collecting contractual cash flows or selling during the Track Record Period. Our financial assets at fair value through other comprehensive income was nil, RMB13.0 million, RMB1.0 million and RMB1.4 million, as of December 31, 2022, 2023, 2024 and September 30, 2025, respectively.

Cash and Cash Equivalents

Our cash and cash equivalents amounted to RMB200.0 million, RMB349.2 million, RMB635.1 million and RMB702.4 million as of December 31, 2022, 2023, 2024, and September 30, 2025, respectively. The increase was generally in line with our business growth, and the balance as of December 31, 2024 also reflected the proceeds raised from our A Share Listing.

A significant portion of our cash and cash equivalents was denominated in US dollar amounting to RMB153.9 million, RMB315.3 million, RMB465.3 million and RMB522.1 million as of December 31, 2022, 2023, 2024 and September 30, 2025, representing approximately 76.9%, 90.3%, 73.3% and 74.3% of our total cash and cash equivalents, respectively. Our cash and cash equivalents denominated in RMB amounted to RMB42.4 million, RMB28.3 million, RMB154.6 million and RMB160.2 million, representing approximately 21.2%, 8.1%, 24.3% and 22.8% of our total cash and cash equivalents, respectively. We also held cash and cash equivalents denominated in Euro, Thai Baht and Hong Kong dollars during the Track Record Period. See Note 24 to the Accountants' Report in Appendix I to this Prospectus for more details.

Trade and Bills Payables

Our trade and bills payables primarily consist of payments for raw materials, equipment and construction costs, electricity and processing fees. Payments for raw materials and processing fees are normally settled within 90 to 120 days. Electricity charges are generally settled on a real-time basis. Payments for equipment and construction costs are subject to the payment schedules specified in the respective contracts. Our trade payables are non-interest-bearing.

The following table sets forth the breakdown of our trade and bills payables as of the dates indicated:

	As of December 31,			As of September 30,
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables				
Raw materials	381,222	473,987	585,089	864,309
Equipment and construction costs	338,571	288,803	481,787	490,141
Electricity	73,002	97,687	70,849	113,317
Processing fees	4,197	6,586	30,388	37,789
Others	23,189	33,089	31,309	21,445
Subtotal	**820,181**	**900,152**	**1,199,422**	**1,527,001**
Bills payables	**309,074**	**321,539**	**447,180**	**548,793**
Total	**1,129,255**	**1,221,691**	**1,646,602**	**2,075,794**

Our trade and bills payables increased by 18.7% from RMB1,646.6 million as of December 31, 2024 to RMB2,075.8 million as of September 30, 2025, mainly due to the increase in raw material purchases driven by the continued growth in our sales orders, which resulted in higher trade payables for materials and an increase in bills payable.

Our trade and bills payables increased by 34.8% from RMB1,221.7 million as of December 31, 2023 to RMB1,646.6 million as of December 31, 2024, mainly due to (i) our increased procurement of raw materials driven by continued sales order growth and (ii) the addition of equipment and construction payables related to the construction of our production facility in Thailand.

Our trade and bills payables increased by 8.2% from RMB1,129.3 million as of December 31, 2022 to RMB1,221.7 million as of December 31, 2023, mainly due to the increased procurement and payment for raw material in line with our increased sales orders during the year.

The following table sets forth an aging analysis of our trade and bills payables as of the dates indicated:

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	972,575	1,167,047	1,610,962	2,051,190
1 to 2 years	155,320	39,957	26,853	16,889
2 to 3 years	179	14,687	4,909	6,809
Over 3 years	1,181	–	3,878	906
	1,129,255	**1,221,691**	**1,646,602**	**2,075,794**

The following table sets forth our trade payables turnover days during the years/periods indicated:

	Year ended December 31,			Nine months ended September 30,
	2022	2023	2024	2025
Trade payables turnover days(1)	205	173	152	147

Note:

(1) The trade payables turnover days were the average of the opening and closing trade payables divided by our total cost of sales for that year/period and multiplied by the number of days for years, or adjusted on a pro-rata basis for the period.

Our trade payables turnover days decreased from 205 days in 2022 to 173 days in 2023, to 152 days in 2024, and further to 147 days in the nine months ended September 30, 2025 primarily due to our business expansion and the increase of our costs of sales during the same periods to facilitate our fulfillment of increased orders. Our Directors confirm that we did not have any material defaults in payment of trade and bills payables during the Track Record Period and up to the Latest Practicable Date.

As of January 31, 2026, approximately RMB1,143.9 million, or 74.9% of total trade payables as of September 30, 2025, were settled.

Other Payables and Accruals

Our other payables and accruals primarily consist of restricted share repurchase obligations, deposits received, accruals, payroll and welfare payable, other tax payables, endorsed and unmatured bank bills not derecognized and other payables.

The table below sets forth our other payables and accruals as of the dates indicated:

	As of December 31,			As of September 30,
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Restricted share repurchase obligations	–	–	52,985	51,040
Advanced receipt of issue of restricted share	–	–	–	10,825
Deposits received	401	3,401	300	331
Accruals	14,317	23,217	15,864	43,182
Payroll and welfare payable	75,967	85,562	107,543	99,509
Other tax payables	3,996	3,811	3,901	8,176
Endorsed and unmatured bank bills not derecognized	60,861	14,839	86,352	22,085
Other payables	328	495	618	665
Total	**155,870**	**131,325**	**267,563**	**235,813**

Our other payables and accruals decreased by 11.9% from RMB267.6 million as of December 31, 2024 to RMB235.8 million as of September 30, 2025, primarily due to the decrease in endorsed and unmatured bank bills not derecognized as result of the respective maturity and recognition, partially offset by an increase in advanced receipt of issue of restricted share.

Our other payables and accruals increased by 103.7% from RMB131.3 million as of December 31, 2023 to RMB267.6 million as of December 31, 2024, primarily due to (i) the increase in endorsed and unmatured bank bills not derecognized, as we settled purchases with certain suppliers using bank acceptance bills and such bills remained on our balance sheet as we retained the payment obligations prior to maturity and settlement and (ii) the increase in restricted share repurchase obligations related to our grant of shares under our 2024 Restricted Share Incentive Plan and 2024 Share Option Incentive Plan.

Our other payables and accruals decreased by 15.7% from RMB155.9 million as of December 31, 2022 to RMB131.3 million as of December 31, 2023, primarily due to the derecognition of bank-endorsed bills previously obtained through a finance lease arrangement in 2022 and used by us to settle payments with suppliers, which were subsequently endorsed and matured in 2023.

As of January 31, 2026, RMB188.8 million, or 80.1% of our total other payables and accruals as of September 30, 2025, had been subsequently settled.

Derivative Financial Instruments

To manage our exposure to foreign exchange risk and mitigate the potential adverse impact of significant exchange rate fluctuations on our operations, we invested on derivative financial instruments in 2023 and 2024, primarily in the form of forward currency contracts, none of which are designated as hedging instruments for accounting purposes. The notional amounts of our outstanding derivative financial instruments were RMB1.4 million and RMB8.1 million, respectively. Under our foreign exchange forward contracts, if RMB depreciates or appreciates against the U.S. dollar substantially, our obligation to pay to the banks under the outstanding foreign exchange forward contracts would increase or decrease, which would affect our cash flows and financial position. We recognized fair value loss on derivative financial instruments of RMB21.2 million, RMB41.5 million, RMB14.9 million in 2022, 2023, and 2024, respectively. We recorded fair value gain on derivative financial instruments of RMB0.9 million and RMB6.2 million in the nine months ended September 30, 2024 and 2025, respectively.

We have implemented and will continue to implement, internal policies and procedures to manage our investment on derivative financial instruments, in a prudent manner. Our internal policies set forth guiding principles and detailed processes for evaluating and monitoring the use of derivative financial instruments. The key guiding principles include the following: (i) we control the scale of derivative transactions to align with the actual business needs, and we prohibit speculative or arbitrage trading that could adversely affect our normal operations, and (ii) all derivative transactions must be based on foreign currency cash flow forecasts, and the notional amount of forward currency contracts must not exceed the forecasted foreign currency receipts and payments.

Contract Liabilities

Our contract liabilities include prepayment received from our customers based on sales order in advance of our delivery of products under the contracts.

Our contract liabilities increased by 17.1% from RMB6.3 million as of December 31, 2023 to RMB7.4 million as of December 31, 2024, and further increased by 72.0% to RMB12.7 million as of September 30, 2025, primarily attributable to the increase in advance payments from certain new overseas customers. Our contract liabilities decreased by 30.6% from RMB9.1 million as of December 31, 2022 to RMB6.3 million as of December 31, 2023, primarily attributable to the fulfillment of prepayment-based contracts with customers.

As of January 31, 2026, RMB10.4 million, or 81.9% of our total contract liabilities as of September 30, 2025, had been subsequently recognized as revenue.

Interest-bearing Bank and Other Borrowings

Our current interest-bearing bank and other borrowings remained relatively stable at RMB221.0 million and RMB232.3 million as of December 31, 2024 and as of September 30, 2025, respectively. Our current interest-bearing bank and other borrowings increased from RMB152.4 million as of December 31, 2023 to RMB221.0 million as of December 31, 2024, primarily due to additional bank loans obtained for our construction of production facilities in Dongguan and Thailand. Our current interest-bearing bank and other borrowings decreased from RMB186.8 million as of December 31, 2022 to RMB152.4 million as of December 31, 2023, primarily because we partially repaid some loan principals and interests in 2023. The effective interest rates of our current interest-bearing bank and other borrowings ranged from 2.95% to 5.00% per annum as of December 31, 2022, from 2.80% to 4.85% per annum as of December 31, 2023, from 2.20% to 4.40% per annum as of December 31, 2024, and from 2.11% to 3.20% per annum as of September 30, 2025.

Our current interest-bearing bank and other borrowings during the Track Record Period were primarily used for business operation purposes. As of September 30, 2025, all of our current interest-bearing borrowings were repayable within one year, and were denominated in Renminbi comprising both fixed-rate and floating-rate borrowings.

Lease Liabilities

Our current lease liabilities increased from RMB0.4 million as of December 31, 2024 to RMB0.6 million as of September 30, 2025, primarily due to the increase in lease liabilities arising from a new office lease starting from June 2025. Our current lease liabilities decreased from RMB9.9 million as of December 31, 2023 to RMB0.4 million as of December 31, 2024, primarily because most of the leases for factories and dormitories expired during the year. Our current lease liabilities decreased from RMB14.4 million as of December 31, 2022 to RMB9.9 million as of December 31, 2023, primarily due to our efforts to optimize the management of leased dormitories, which reduced idle rooms, improved usage efficiency and lowered rental payments.

Non-current Assets/Liabilities

The following table sets out our non-current assets and liabilities as of the dates indicated:

	As of December 31,			As of September 30,
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS				
Property, plant and equipment	1,640,387	1,815,563	2,567,318	3,097,015
Right-of-use assets	120,340	114,335	104,949	105,891
Intangible assets	28,422	19,923	18,695	18,809
Investment in associate	–	–	–	12,000
Deferred tax assets	56,074	51,109	75,652	35,208
Other non-current assets	2,664	8,801	70,464	49,537
Total non-current assets	**1,847,887**	**2,009,731**	**2,837,078**	**3,318,460**
NON-CURRENT LIABILITIES				
Interest-bearing bank and other borrowings	136,691	230,840	193,946	336,457
Lease liabilities	240	433	–	2,500
Deferred income	131,044	126,721	166,725	173,648
Deferred tax liabilities	67,572	68,923	68,317	36,334
Total non-current liabilities	**335,547**	**426,917**	**428,988**	**548,939**

Property, Plant and Equipment

Our property, plant and equipment primarily consist of our buildings, machinery, construction in progress, tools 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
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Buildings	611,286	598,921	716,716	1,273,250
Machinery	922,039	896,063	1,029,873	1,584,137
Construction in progress	77,295	255,090	739,573	127,444
Tools	10,786	11,532	12,515	26,393
Freehold land	–	33,290	40,027	39,821
Others	18,981	20,667	28,614	45,970
Total	**1,640,387**	**1,815,563**	**2,567,318**	**3,097,015**

Our property, plant and equipment increased by 20.6% from RMB2,567.3 million as of December 31, 2024 to RMB3,097.0 million as of September 30, 2025, primarily due to the increase in buildings as our production facilities. Our property, plant and equipment increased by 41.4% from RMB1,815.6 million as of December 31, 2023 to RMB2,567.3 million as of December 31, 2024, primarily due to (i) the increase in construction in progress related to the ongoing construction of our production facility in Thailand, (ii) the increase in machinery as we acquired new equipment for our production facilities in Dongguan and Guangzhou to support the operations, enhance production capacity and improve operational efficiency and (iii) the increase in buildings as our production facility in Dongguan which was once construction-in-progress was completed and transferred to property, plant and equipment in February 2024. Our property, plant and equipment increased by 10.7% from RMB1,640.4 million as of December 31, 2022 to RMB1,815.6 million as of December 31, 2023, primarily due to the increase in construction in progress resulting from the ongoing construction of our production facility in Dongguan in 2023.

Right-of-Use Assets

Our right-of-use assets primarily consist of buildings and land use rights. The following table sets forth the breakdown of our right-of-use assets as of the dates indicated:

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Buildings	13,341	9,825	393	3,112
Land use rights	106,999	104,510	104,556	102,779
Total	**120,340**	**114,335**	**104,949**	**105,891**

Our right-of-use assets remained relatively stable at RMB104.9 million as of December 31, 2024 and RMB105.9 million as of September 30, 2025. Our right-of-use assets decreased by 8.2% from RMB114.3 million as of December 31, 2023 to RMB104.9 million as of December 31, 2024, mainly due to the expiration of lease terms for a number of right-of-use assets, including leased factory premises and employee dormitories. Our right-of-use assets decreased by 5.0% from RMB120.3 million as of December 31, 2022 to RMB114.3 million as of December 31, 2023, primarily due to the amortization of land use rights.

Intangible Assets

Our intangible assets primarily consist of software and licenses. The following table sets forth the breakdown of our intangible assets of the dates indicated:

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Software	27,340	19,212	18,355	18,747
Licenses	1,082	711	340	62
Total	**28,422**	**19,923**	**18,695**	**18,809**

Our intangible assets remained relatively stable at RMB18.7 million and RMB18.8 million as of December 31, 2024 and as of September 30, 2025, respectively. Our intangible assets further decreased slightly by 6.2% from RMB19.9 million as of December 31, 2023 to RMB18.7 million as of December 31, 2024, primarily because software amortization remained relatively stable while we increased the purchase of new office software in 2024, thereby narrowing the decline in net book value compared to the end of 2023. Our intangible assets decreased by 29.9% from RMB28.4 million as of December 31, 2022 to RMB19.9 million as of December 31, 2023, primarily because (i) the amount of software purchased in 2023 was lower than the software amortization for that year, primarily due to the relatively large amount of software we purchased in 2022 to support our business operations, engineering design and other functional needs.

Interest-bearing Bank and Other Borrowings

Our non-current interest-bearing bank and other borrowings increased from RMB336.5 million as of September 30, 2025 to RMB341.0 million as of January 31, 2026, primarily due to additional bank loans obtained for our purchase of equipment for our production facility. Our non-current interest-bearing bank and other borrowings increased from RMB193.9 million as of December 31, 2024 to RMB336.5 million as of September 30, 2025, primarily due to additional bank loans obtained for our purchase of equipment for our production facility. Our non-current interest-bearing bank and other borrowings decreased from RMB230.8 million as of December 31, 2023 to RMB193.9 million as of December 31, 2024, primarily because of the scheduled repayment of principal and interest on our outstanding borrowings. Our non-current interest-bearing bank and other borrowings increased from RMB136.7 million as of December 31, 2022 to RMB230.8 million as of December 31, 2023, primarily due to the increase in our bank borrowings in 2023 to support the construction of new facilities and the equipment and technology upgrade projects.

The effective interest rates of our non-current interest-bearing bank and other borrowings ranged from 3.20% to 5.00% per annum as of December 31, 2022, from 3.20% to 4.85% per annum as of December 31, 2023, from 3.10% to 4.40% per annum as of December 31, 2024, and from 2.40% to 4.40% per annum as of September 30, 2025.

Our non-current interest-bearing bank and other borrowings during the Track Record Period were primarily used for business operation purposes. As of January 31, 2026, all of our non-current interest-bearing borrowings were denominated in Renminbi comprising both fixed-rate and floating-rate borrowings.

Other Non-Current Assets

Our other non-current assets primarily consist of prepayments for equipment and construction projects. Our other non-current assets decreased from RMB70.5 million as of December 31, 2024 to RMB49.5 million as of September 30, 2025, primarily due to our settlement with suppliers of projects and equipment of our production facility in Thailand. Our other non-current assets further increased from RMB8.8 million as of December 31, 2023 to RMB70.5 million as of December 31, 2024, primarily due to the increase in our prepayments for equipment and engineering works related to the construction of our production facility in Thailand. These equipment and engineering investment were made to support trial production and preparations for full-scale commercial operations at our production facility in Thailand, in order to accommodate the continued growth of our overseas business in future. Our other non-current assets increased from RMB2.7 million as of December 31, 2022 to RMB8.8 million as of December 31, 2023, primarily due to the increase in our equipment prepayments to support the drilling and machining production steps in our production facility in Dongguan.

Deferred Income

Our deferred income consists of government grants that we received in support of our business operations and capital expenditures.

Our deferred income decreased from RMB166.7 million as of December 31, 2024 to RMB173.6 million as of September 30, 2025, mainly due to the continued amortization of government grants into other income in line with the expected benefit period of the relevant underlying assets or the fulfillment of grant conditions.

Our deferred income increased from RMB126.7 million as of December 31, 2023 to RMB166.7 million as of December 31, 2024, mainly as a result of our receipt of new government grants in connection with our ongoing business expansion.

Our deferred income decreased from RMB131.0 million as of December 31, 2022 to RMB126.7 million as of December 31, 2023, mainly due to continued amortization of government grants into other income in line with the expected useful lives of the relevant underlying assets or the fulfillment of grant conditions.

INDEBTEDNESS

The following table sets forth a breakdown of our indebtedness as of the dates indicated:

	As of December 31,			As of September 30,	As of January 31,
	2022	**2023**	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*
Current					
Interest-bearing bank borrowings	186,813	152,374	220,973	232,328	361,404
Lease liabilities	14,382	9,853	433	629	624
Non-current					
Interest-bearing bank borrowings	136,691	230,840	193,946	336,457	341,043
Lease liabilities	240	433	–	2,500	4,518
Total	**338,126**	**393,500**	**415,352**	**571,914**	**707,589**

Interest-bearing Bank and Other Borrowings

As of January 31, 2026, our total facilities for bank borrowings amounted to RMB3,338.1 million, of which RMB1,490.9 million had been utilized.

As of December 31, 2022, 2023, 2024 and September 30, 2025, we had outstanding aggregate unpaid interest-bearing bank and other borrowings of RMB323.5 million, RMB383.2 million, RMB414.9 million, RMB568.8 million, respectively. See "— Selected Balance Sheet Items — Net Current Assets/Liabilities — Interest-bearing Bank and Other Borrowings" and "— Selected Balance Sheet Items — Non-current Assets/Liabilities — Interest-bearing Bank and Other Borrowings" for more details. Our Directors confirm that we did not experience any difficulty in obtaining bank loans and other borrowings, default in payment of bank borrowings or breach of covenants during the Track Record Period and up to the Latest Practicable Date.

Lease Liabilities

As of December 31, 2022, 2023, 2024, September 30, 2025 and January 31, 2026, we have outstanding aggregate unpaid contractual lease payments of RMB14.6 million, RMB10.3 million, RMB0.4 million, RMB3.1 million and RMB5.1 million, respectively, in relation to the corresponding lease liabilities. Except as discussed above, we did not have material mortgages, charges, debentures, loan capital, debt securities, loans, bank overdrafts or other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptance (other than normal trade bills), acceptance credits, which are either guaranteed, unguaranteed, secured or unsecured, or guarantees or other contingent liabilities as of January 31, 2026. Our Directors confirm that there has been no material change in our indebtedness since January 31, 2026 and up to the Latest Practicable Date.

CONTINGENT LIABILITIES

As of December 31, 2022, 2023, 2024 and September 30, 2025, we did not have any material contingent liabilities. As of the Latest Practicable Date, there had been no material changes or arrangements to our contingent liabilities.

CAPITAL EXPENDITURE

We incurred capital expenditures of RMB456.3 million, RMB404.1 million, RMB825.1 million, RMB549.3 million and RMB729.3 million in 2022, 2023, 2024 and the nine months ended September 30, 2024 and 2025, respectively, mainly in connection with purchases of items of property, plant and equipment and intangible assets.

The following table sets forth a breakdown of our capital expenditures for the years/periods indicated:

	Year ended December 31,			Nine months ended September 30,	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Purchases of items of property, plant and equipment	445,330	398,026	814,824	541,451	716,933
Purchase of intangible assets	10,946	6,041	10,323	7,898	12,379
Total	**456,276**	**404,067**	**825,147**	**549,349**	**729,312**

We expect to fund our future capital expenditures with our operating cash flows as well as with our own funds or other funds raised. We may adjust our capital expenditures for any given period according to our ongoing business needs and in light of market conditions or other factors we believe appropriate.

CAPITAL COMMITMENTS

We had the following capital commitments mainly related to construction in progress as of the date indicated:

	As of December 31,			As of September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Construction in progress	193,960	107,011	179,265	273,759

OFF-BALANCE SHEET ARRANGEMENTS

We have not entered into, nor do we expect to enter into, any off-balance sheet arrangements. We also have not entered into any financial guarantees or other relevant commitments. In addition, we have not entered into any derivative contracts that are indexed to our equity interests and classified as owners' equity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or engages in leasing or hedging with us.

RELATED PARTY TRANSACTIONS AND BALANCES

During the Track Record Period, we entered into certain related party transactions from time to time. See Note 38 to the Accountants' Report in Appendix I to this Prospectus for more details. Our Directors believe that our transactions with related parties during the Track Record Period were conducted in the ordinary and usual course of business and on an arm's length basis, and they did not distinct our results of operations or make our historical results not reflective of our future performance.

DIVIDENDS AND DIVIDEND POLICY

Dividend distribution to our shareholders is recognized as a liability in the period in which the dividends are approved by our shareholders or Directors, as appropriate. We paid a dividend of RMB105.6 million in 2024. In May 2025, we declared cash dividends of RMB204.0 million, which have been paid in full in May 2025. We may distribute dividends in the form of cash dividends or stock dividends or a combination of cash dividends and stock dividends, and we give priority to profit distribution in cash, where eligible. Any proposed distribution of dividends is subject to the discretion of our Board and the approval at our Shareholders' meetings. Our Board may recommend a distribution of dividends in the future in accordance with the procedures stipulated in the Articles of Association of our Company, after taking into account our results of operations, financial condition, operating requirements, capital requirements, shareholders' interests and any other conditions that our Board may deem relevant. According to the applicable PRC laws and our dividend policy, we may pay dividends out of our profit after tax only after we have (i) made up recovery of accumulated losses, if applicable, (ii) made allocations to the statutory reserve equivalent to 10% of our profit after tax, provided that when the accumulated statutory reserve exceeds 50% of our total issued share capital, further allocations to this statutory reserve are not required, and (iii) after the allocations to the statutory reserve, made allocations, if any, to a discretionary reserve as approved by our shareholders in a shareholders' meeting.

Further, according to our dividend policy, in principle, we distribute dividends once a fiscal year (where necessary, we may also declare interim cash dividends or stock dividends). Our distributed profits distributed in cash shall be no less than 10% of the distributable profits achieved in the year and we are required to pay cumulative cash dividends of the most recent three fiscal years that account for not less than 30% of our average annual distributable profits for those three fiscal years which are available for distribution, calculated in accordance with PRC GAAP, provided that the sustainable operation and long term development of the Company shall not be impaired, there is no plan for significant capital expenditure, and all other conditions for cash dividend distribution are satisfied.

LISTING EXPENSES

Listing expenses represent professional fees, underwriting commissions and other fees (such as the discretionary incentive fee) incurred in connection with the Global Offering. We estimate that our listing expenses will be approximately RMB115.8 million (or HK$131.1 million, representing 3.96% of the gross proceeds from the Global Offering) (based on the maximum Offer Price of HK$71.88), of which (i) approximately RMB108.7 million, directly attributable to the issue of our Offer Shares, will be subsequently charged to equity upon completion of the proposed Listing, and (ii) approximately RMB7.1 million is expected to be expensed in our combined statements of profit or loss.

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios as of the dates or for the years/periods indicated:

	As of or for the year ended December 31,			As of or for the nine months ended September 30
	2022	2023	2024	2025
Current ratio(1)	0.9 times	1.2 times	1.3 times	1.3 times
Quick ratio(2)	0.7 times	0.9 times	1.1 times	1.1 times
Gearing ratio(3)	24.0%	21.5%	13.5%	15.7%
Liability-to-asset ratio(4)	56.6%	52.0%	45.9%	46.3%
Trade receivables turnover days(5)	103 days	102 days	102 days	103 days
Inventories turnover days(6)	93 days	89 days	72 days	66 days
Interest coverage ratio(7)	39.9 times	48.5 times	59.1 times	68.2 times
Net margin(8)	11.6%	15.5%	18.1%	18.9%

Notes:

(1) Current ratio was calculated by dividing current assets by current liabilities as of the dates indicated.

(2) Quick ratio was calculated by dividing the difference of current assets and inventories by total current liabilities as of the dates indicated.

(3) Gearing ratio was calculated based on total indebtedness (including lease liabilities, interest-bearing bank and other borrowings) divided by total equity and multiplied by 100%.

(4) Liability-to-asset ratio was calculated by dividing total liabilities by total assets.

(5) Trade receivables turnover days were calculated based on the average of opening and closing balance of trade receivables (before impairment) for the relevant year/period, divided by the revenue for the same year/period and multiplied by the number of days in that year/period.
(6) Inventories turnover days were calculated based on the average of the beginning and ending balances of inventories (before impairment) of a given year/period divided by the cost of sales for that corresponding year/period and multiplied by the number of days in that year/period.
(7) Interest coverage ratio was calculated by dividing EBITDA *(non-IFRS measure)* by interest expenses for the years/periods indicated.
(8) Net margin was calculated by dividing profit for the year/periods by revenue for the years/periods indicated.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT FINANCIAL RISKS

Interest Rate Risk

We have changes in interest rates exposures. Such exposures arise from our debt obligations in RMB with floating interest rates. See Note 41 to the Accountants' Report in Appendix I to this Prospectus for more details.

Foreign Currency Risk

We have transactional currency exposures. Such exposures arise from sales or purchases by operating units and investing and financing activities by investment holding units in currencies other than the units' functional currencies. For a sensitivity analysis of a reasonably possible change in the foreign exchange rates, with all other variables held constant, of our profit after tax for each period of the Track Record Period, see Note 41 to the Accountants' Report in Appendix I to this Prospectus for more details.

Credit Risk

We trade only with recognized and creditworthy third parties. It is our policy that all customers who wish to trade on credit terms are subject to credit verification procedures. There are no significant concentrations of credit risk for trade receivables from third parties as our customer bases are dispersed. In addition, receivable balances are monitored on an ongoing basis. See Note 41 to the Accountants' Report in Appendix I to this Prospectus for more details.

Liquidity Risk

We monitor the risk in relation to shortage of funds through using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets, such as trade receivables and projected cash flows from operations. Our objective is to maintain a balance continuity of funding and flexibility through the use of internally generated cash flows from operations. For the maturity profile of our financial liabilities and lease liabilities based on the contractual undiscounted payments, as of December 31, 2022, 2023, 2024 and September 30, 2025, see Note 41 to the Accountants' Report in Appendix I to this Prospectus for more details.

UNAUDITED PRO FORMA ADJUSTED COMBINED NET TANGIBLE ASSETS

See Appendix IIA to this Prospectus for details.

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that up to the date of this Prospectus there had been no material adverse change in our financial, operational or prospects since September 30, 2025, being the latest balance sheet date of our consolidated financial statements as set out in the Accountants' Report set out in Appendix I to this Prospectus.

Based on our unaudited financial information for the year ended December 31, 2025 set out in Appendix IIB to this prospectus, our revenue increased by 46.9% from RMB3,734.3 million in 2024 to RMB5,485.4 million in 2025, and our profit for the year increased from RMB676.1 million in 2024 to RMB1,015.8 million in 2025. For further details of the unaudited financial information, please see "Unaudited Preliminary Financial Information for the Year Ended December 31, 2025" as set out in Appendix IIB of this Prospectus.

DISCLOSURE REQUIRED UNDER LISTING RULES

Our Directors have confirmed that, as of the Latest Practicable Date, they were not aware of any circumstances which would give rise to a disclosure requirement under Rule 13.13 to Rule 13.19 of the Listing Rules.

OVERVIEW

As of the Latest Practicable Date, our Company was held as to (i) approximately 40.13% by Zhenyun Investment, which was owned as to 99.90% by Mr. Xiao (the spouse of Ms. Liu) and 0.10% by Ms. Liu (the spouse of Mr. Xiao), respectively; (ii) approximately 6.76% by Guangsheng Investment, which was controlled by Mr. Xiao by virtue of his position as the sole general partner thereof; and (iii) approximately 6.76% by Guangcai Investment, which was controlled by Mr. Xiao by virtue of his position as the sole general partner thereof, respectively. Accordingly, Mr. Xiao and Ms. Liu, through Zhenyun Investment, Guangsheng Investment and Guangcai Investment, collectively controlled approximately 53.65% of the total issued capital of our Company as of the Latest Practicable Date.

Immediately following the completion of the Global Offering (assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing), Mr. Xiao and Ms. Liu, through Zhenyun Investment, Guangsheng Investment and Guangcai Investment, will collectively control approximately 48.43% of the total issued capital of our Company. Accordingly, Mr. Xiao, Ms. Liu, Zhenyun Investment, Guangsheng Investment and Guangcai Investment will together constitute a group of our Controlling Shareholders for the purpose of the Listing Rules upon Listing.

For details of the background of Mr. Xiao and Ms. Liu, see "Directors and Senior Management — Directors" in this Prospectus.

INTEREST IN COMPETING BUSINESS

Each of the members of our Controlling Shareholders Group confirms that he/she/it had no interest in any business apart from the business of our Group which competes or is likely to compete, either directly or indirectly, with the business of our Group, which would require disclosure under Rule 8.10 of the Listing Rules as of the Latest Practicable Date.

NON-COMPETITION UNDERTAKINGS

Mr. Xiao, Ms. Liu and Zhenyun Investment have executed non-competition undertakings in favor of our Company, pursuant to which each of them has undertaken that, among others:

(i) none of Mr. Xiao, Ms. Liu, Zhenyun Investment nor any other enterprises or economic organizations directly or indirectly controlled by Mr. Xiao, Mr. Xiao's immediate family members, Ms. Liu, Ms. Liu's immediate family members or Zhenyun Investment has engaged in any business that directly or indirectly competes with that of our Company;

(ii) Mr. Xiao, Ms. Liu, Zhenyun Investment and their respective controlled enterprises (collectively, the "**Relevant Parties**") do not operate any business similar to that of the principal business of our Company, and there does not exist any competing business between our Company and the Relevant Parties;

(iii) the Relevant Parties shall avoid any competition with our Company and, in the event that there arise any business opportunities within the scope of the principal business of our Company, Mr. Xiao, Ms. Liu and Zhenyun Investment shall first refer such opportunities to our Company; and

(iv) if Mr. Xiao, Ms. Liu or Zhenyun Investment fail to comply with the above undertakings, he/she/it shall compensate for all losses incurred by our Company as a result thereof.

INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS

Having considered the following factors, our Directors are satisfied that we are capable of carrying on our business independently of our Controlling Shareholders and their respective close associates upon Listing.

Management Independence

Upon Listing, our Board will comprise seven Directors, including three executive Directors, one non-executive Director and three independent non-executive Directors. Save for Mr. Xiao (being a member of our Controlling Shareholders Group, an executive Director and chairman of the Board) and Ms. Liu (being a member of our Controlling Shareholders Group and a non-executive Director), none of our Directors or members of the senior management is a Controlling Shareholder or holds any directorship or executive position in the close associates of any of our Controlling Shareholders.

Our management and operational decisions are made collectively by our Board and senior management, most of whom have served our Group for a significant period of time and have substantial and extensive relevant industry experience and expertise as set out in "Directors and Senior Management" in this Prospectus. Our Directors consider that our Board and senior management will function independently of our Controlling Shareholders Group for the following reasons:

(i) each Director is aware of his or her fiduciary duties as a Director which require, among other things, that such Director acts for the best interests of our Company and our Shareholders as a whole and does not allow any conflict between his or her duties as a Director and his or her personal interests;

(ii) our Company has established internal control mechanisms to identify connected transactions to ensure that our Shareholders or Directors with conflicting interests in a proposed transaction will abstain from voting on the relevant resolutions pursuant to the relevant requirements under our Articles of Association and/or the Listing Rules;

(iii) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Company and our Directors or their respective close associates, the interested Director(s) is required to declare the nature of such interest before voting at the relevant Board meetings of our Company in respect of such transactions;

(iv) save for Mr. Xiao and Ms. Liu, all of the other Directors are independent from our Controlling Shareholders, and decisions of the Board require the approval of a majority vote from the Board; and

(v) we have appointed three independent non-executive Directors, comprising more than one third of the total members of our Board, who have sufficient knowledge, experience and competence to provide a balance of the potentially interested Directors and independent Directors with a view to safeguard the interests of our Company and the Shareholders as a whole.

Based on the above, our Directors are of the view that our Board and our senior management as a whole are capable to perform their roles in our Company independently and manage our business independently of our Controlling Shareholders and their respective close associates after Listing.

Operational Independence

We are not operationally dependent on our Controlling Shareholders Group. We have established our own organizational structure, with each department assigned to specific areas of responsibilities which have been in operation and are expected to continue to operate independently of our Controlling Shareholders and their respective close associates. We have independent access to our suppliers and customers. We are also in possession of relevant assets, licenses, trademarks and other intellectual property and research and development facilities necessary to carry on and operate our business independently, and we have sufficient operational capacity in terms of capital and employees to operate independently.

Based on the above, our Directors are satisfied that we will be able to operate independently of our Controlling Shareholders and their respective close associates after Listing.

Financial Independence

We have the ability to operate independently of our Controlling Shareholders Group from a financial perspective. We have an independent financial system and make financial decisions according to our own business needs. We have our independent financial department with a team of independent financial staff responsible for discharging the treasury function. We make tax registration and pay tax independently with our own funds. As such, our financial functions, such as cash and accounting management, invoices and bills, operate independently of our Controlling Shareholders and their respective close associates.

We do not rely on our Controlling Shareholders or their respective close associates to provide financial assistance to our Group. We have independent access to third party financing and, if necessary, we are capable of obtaining financing from external sources without reliance on our Controlling Shareholders and their respective close associates. As of the Latest Practicable Date, none of the members of our Controlling Shareholders Group nor any of their respective close associates had provided any other loans, borrowings or guarantees to our Group.

Based on the above, our Directors are satisfied that we will be able to maintain financial independence from our Controlling Shareholders and their respective close associates after Listing.

CORPORATE GOVERNANCE MEASURES

In order to further safeguard the interests of our Shareholders, we will adopt the following corporate governance measures to manage any potential conflicts of interest with our Controlling Shareholders and their respective close associates:

(i) as part of our preparation for the Global Offering, we have amended our Articles of Association to comply with the Listing Rules which will become effective upon Listing. In particular, our Articles of Association provides that, unless otherwise provided, a Director shall abstain from voting on any resolution approving any contract, transaction or arrangement in which such Director or any of his/her close associates has a material interest, nor shall such Director be counted in the quorum present at the Board meeting;

(ii) where a transaction or arrangement of our Company is subject to Shareholders' approval under the provisions of the Listing Rules, any Controlling Shareholder that has a material interest in the transaction or arrangement shall abstain from voting on the resolution(s) approving the transaction or arrangement at the shareholders' meeting;

(iii) our Company has established internal control mechanisms to identify connected transactions. Upon Listing, if our Company enters into connected transactions with any of our Controlling Shareholders or any of his/her/its associates, our Company will comply with the applicable requirements under the Listing Rules; and

(iv) we are committed that our Board shall include a balanced composition of executive Directors and non-executive Directors (including independent non-executive Directors). We have appointed three independent non-executive Directors, and we believe our independent non-executive Directors possess sufficient experiences and are free of any business or other relationship which could interfere in any material manner with the exercise of their independent judgment and will be able to provide an impartial, external opinion to protect the interests of our Shareholders as a whole. For details of our independent non-executive Directors, see "Directors and Senior Management — Directors — Independent Non-Executive Directors" in this Prospectus.

We have appointed Yue Xiu Capital Limited as our compliance advisor, which will provide advice and guidance to us in respect of compliance with the applicable laws and the Listing Rules including various requirements relating to Directors' duties and corporate governance.

We have entered into a number of transactions with our connected persons in our ordinary and usual course of business. Such transactions will continue after Listing and will therefore constitute continuing connected transactions of our Group under Chapter 14A of the Listing Rules.

RELEVANT CONNECTED PERSONS

The table below sets forth the parties that will become our connected persons and have entered into transactions with us which will constitute our continuing connected transactions upon Listing:

Connected person	Relationship
Dongguan Superb Electronic Materials Co., Ltd. (東莞秀博電子材料有限公司) ("**Dongguan Superb**")	As of the Latest Practicable Date, Dongguan Superb was owned as to 70% by Dongguan Guanghua Chemical Co., Ltd. (東莞廣華化工有限公司) ("**Guanghua Chemical**"), which was in turn owned as to 91% by Ms. Liu. Accordingly, Dongguan Superb is an associate of Ms. Liu and therefore constitute a connected person of our Company under the Listing Rules.
Dongguan Guanghua Environmental Protection Technology Co., Ltd. (東莞市廣華環保技術有限公司) ("**Guanghua Environmental**") .	As of the Latest Practicable Date, Guanghua Environmental was owned as to 65% by Dongguan Superb and 25% by Guanghua Chemical. Accordingly, Guanghua Environmental is an associate of Ms. Liu and therefore constitute a connected person of our Company under the Listing Rules.

PARTIALLY EXEMPT CONTINUING CONNECTED TRANSACTIONS

The following table sets forth a summary of our partially exempt continuing connected transactions:

				Proposed annual caps for the year ending December 31,		
Transaction	Counterparty	Applicable Listing Rules	Waiver sought	2025	2026	2027
					(RMB in million)	
Procurement of chemical solutions	Dongguan Superb	14A.35, 14A.76(2) and 14A.105	Announcement	20.0	29.0	36.0
Cooperation with Guanghua Environmental on Reclamation Treatment	Guanghua Environmental	14A.35, 14A.76(2) and 14A.105	Announcement	15.0	17.5	20.0

(A) Procurement of Chemical Solutions

On March 4, 2026, our Group entered into a framework agreement with Dongguan Superb ("**Procurement of Chemical Solutions Framework Agreement**"), pursuant to which, Dongguan Superb would supply to our Group chemical solutions, including, among others, etchants and brown oxidation solutions, for our production as we may require from time to time.

The initial term of the Procurement of Chemical Solutions Framework Agreement shall commence on the Listing Date until December 31, 2027, which may be renewed as the parties may mutually agree, subject to compliance with the requirements under Chapter 14A of the Listing Rules and all other applicable laws and regulations. We will separately enter into specific agreements with Dongguan Superb which will set out the specific terms and conditions in accordance with the principles provided in the Procurement of Chemical Solutions Framework Agreement.

Reasons for and benefits of the transaction

Dongguan Superb is primarily engaged in R&D, manufacturing and selling of electronic chemicals, including chemical solutions, and has been a long-term supplier of our Group for chemical solutions. We procure chemical solutions from Dongguan Superb to manufacture our products, taking into account that (i) Dongguan Superb possesses the relevant qualifications in manufacturing, storage and delivery of chemical solutions; (ii) Dongguan Superb's familiarity with our business needs, quality standards, operational requirements; and (iii) the location proximity between our production facilities in Guangdong Province and Dongguan Superb, which results in timely delivery and lower procurement cost to our Group.

Pricing terms

The pricing relating to procurement of chemical solutions from Dongguan Superb pursuant to the Procurement of Chemical Solutions Framework Agreement shall be determined based on arm's length negotiation between our Group and Dongguan Superb, having taken into account the prevailing market price offered by other independent third parties with comparable chemical solutions, and various factors including but not limited to the type, quality, quantity and qualifications of chemical solutions and the time required for delivery.

Historical amounts and annual caps

For the years ended December 31, 2022, 2023 and 2024 and the nine months ended September 30, 2025, the historical transaction amounts with respect to the procurement of chemical solutions from Dongguan Superb were RMB7.4 million, RMB11.0 million, RMB14.5 million and RMB14.5 million, respectively.

The following table sets forth the proposed annual caps for the transaction amounts to be paid by us to Dongguan Superb under the Procurement of Chemical Solutions Framework Agreement:

	For the year ending December 31,		
	2025	2026	2027
		(RMB million)	
Procurement of chemical solutions	20.0	29.0	36.0

The proposed annual caps are determined based on:

(i) the historical amounts of transactions between our Group and Dongguan Superb during the Track Record Period in respect of procurement of chemical solutions, in particular the increasing trend of historical transaction amounts from RMB7.4 million for the year ended December 31, 2022 to RMB14.5 million for the year ended December 31, 2024 and to RMB14.5 million for the nine months ended September 30, 2025, representing a CAGR of approximately 40.2%. For the nine months ended September 30, 2025, the transaction amount between our Group and Dongguan Superb on procurement of chemical solutions has reached RMB14.5 million, representing approximately 72.5% of the proposed annual cap for the year ending December 31, 2025. The proposed annual caps for the year ending December 31, 2025 to 2027 represents a CAGR of approximately 34.2%, which is in general consistent with historical levels during the Track Record Period;

(ii) the expected increasing procurement demand for chemical solutions from Dongguan Superb to meet our daily production needs and business development plans for the three years ending December 31, 2027:

(a) the demand and consumption for chemical solutions increases as the production capacity and the production volume of PCBs rise. During the Track Record Period, the aggregate actual production volume of our Guangzhou base and Huangshi base has increased from approximately 1,170,000 sq. m. for the year ended December 31, 2022 to approximately 1,487,000 sq. m. for the year ended December 31, 2024, representing a CAGR of approximately 12.7%, and such production volume is expected to continue to increase. In this regard, we plan to invest in capital expenditure projects to release additional production capacity to meet growing market demand. For example, we have established the Thai Base in Thailand (as detailed in the section headed "Business — Production — Existing Production Facilities" and "Future Plans and Use of Proceeds" in this Prospectus). Phase I of the Thai Base, which has commenced production at the end of June 2025, is expected to add a designed production capacity of approximately 200,000 sq. m. per year; and we are advancing the construction of Phase II of the Thai Base with designed production capacity of approximately 300,000 sq. m. per year. We also plan to expand and upgrade our production facilities in Guangzhou base in the coming years (as detailed in the section headed "Future Plans and Use of Proceeds" in this Prospectus). Based on the above, it is estimated that there will be further significant increase in our total production capacity as compared to that recorded during the Track Record Period, and therefore drives demand for chemical solutions for the three years ending December 31, 2027; and

(b) it is expected that our Group will continue to increase the production of higher-layer count PCBs, and accordingly the procurement of chemical solutions is expected to grow at a faster rate to support the greater process complexity and chemical usage required for such products, as higher-layer count PCBs in general require more chemical consumption due to additional processing steps such as inner-layer imaging, etching, stripping and brown oxidation. The increased processing complexity also results in comparatively lower yields, whereby the scrapping of any defective board would lead to the waste of chemicals already consumed. Our purchase of chemical solutions from Dongguan Superb amounted to approximately RMB11.0 million and RMB14.5 million for the years ended December 31, 2023 and 2024, and these costs as a proportion of the Group's cost of sales remained relatively stable at approximately 0.6% and 0.6%, respectively, demonstrating that absolute chemical consumption increases in line with product complexity, while the overall cost structure remains balanced as our Group shifts towards the production of higher layer-count PCBs. During the Track Record Period, the sales volume of our high-layer-count PCBs has been increasing. In particular, the sales volume of 18 or above layers of PCB increased from 8,315 sq. m. for the year ended December 31, 2022 to 37,878 sq. m. for the year ended December 31, 2024, representing a CAGR of approximately 113.4%. Driven by strong demand from the computing server industry, we are expanding our production capacity (including through the development of Phase I and Phase II of Thai Base), with a focus on high-layer count and high performance PCBs to meet the market demand, which is expected to further drives the demand for procurement of chemical solutions necessary for production; and

(iii) other factors including but not limited to the expected market price of chemical solutions, taking into account the costs and expenses involved relating to labor and market trends. According to Frost & Sullivan, there has been a rising trend in the market price of chemical solutions (including etchants and brown oxidation solutions) in the PRC during the Track Record Period and such trend is expected to sustain during the three years ending December 31, 2027. Furthermore, according to Frost & Sullivan, the average costs associated with manufacturing workers of private enterprises in the PRC are also expected to increase by approximately 10% by the year of 2027 as compared to that of 2024, which will in turn lead to increase in procurement costs of chemical solutions.

Implications under the Listing Rules

As the highest applicable percentage ratio of the proposed annual caps in respect of the transactions contemplated under the Procurement of Chemical Solutions Framework Agreement for the three years ending December 31, 2027 is expected to exceed 0.1% but less than 5%, such transactions will, upon Listing, constitute continuing connected transactions of our Company subject to the reporting, annual review and announcement requirements but exempt from the circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

(B) Cooperation with Guanghua Environmental on Reclamation Treatment

On March 4, 2026, our Group entered into a framework agreement with Guanghua Environmental ("**Cooperation Framework Agreement**"), pursuant to which, Guanghua Environmental would provide reclamation treatment services to our Group in relation to used etchants, and such treatment services would recover and extract cupric carbonate from the used etchants.

The initial term of the Cooperation Framework Agreement shall commence on the Listing Date until December 31, 2027, which may be renewed as the parties may mutually agree, subject to compliance with the requirements under Chapter 14A of the Listing Rules and all other applicable laws and regulations. We will separately enter into specific agreements with Guanghua Environmental which will set out the specific terms and conditions in accordance with the principles provided in the Cooperation Framework Agreement.

Reasons for and benefits of the transaction

Guanghua Environmental is equipped with the expertise of cupric carbonate treatment services and has been providing cupric carbonate treatment services to other market players in the PCB industry. By leveraging on the cooperation with Guanghua Environmental, we could recover and extract cupric carbonate from our used etchants and generate additional revenue from sale of cupric carbonate. Such cooperation forms part of our waste management practices to reduce waste generation and is also in line with general market practice as advised by Frost & Sullivan.

Pricing terms

The reclamation treatment provided by Guanghua Environmental will take place in our production facilities and tailored for our waste management needs. As such, the pricing relating to reclamation treatment pursuant to the Cooperation Framework Agreement shall be determined based on arm's length negotiation between our Group and Guanghua Environmental having taken into account, among others, (i) the amount of cupric carbonate that would be extracted under the reclamation treatment; (ii) prevailing market price of copper; (iii) the installation and depreciation costs of the equipments and machineries set up by Guanghua Environmental in our production facilities to facilitate the reclamation treatment; and (iv) the labor and production costs involved.

Historical amounts and annual caps

For the years ended December 31, 2022, 2023 and 2024 and the nine months ended September 30, 2025, the historical transaction amounts between our Group and Guanghua Environmental with respect to cooperation on the reclamation treatment were RMB9.4 million, RMB5.8 million, RMB6.7 million and RMB9.2 million, respectively.

The following table sets forth the proposed annual caps for the transaction amounts to be paid by us to Guanghua Environmental under the Cooperation Framework Agreement:

	For the year ending December 31,		
	2025	2026	2027
		(RMB million)	
Cooperation with Guanghua Environmental on Reclamation Treatment	15.0	17.5	20.0

The proposed annual caps are determined based on:

(i) the historical amounts of transactions between our Group and Guanghua Environmental during the Track Record Period with respect of cooperation on the reclamation treatment;

(ii) the expected increasing demand for reclamation treatment as a result of our growth in production volume and our expansion in production facilities. As our Group plans to continue to increase our production capabilities as detailed in "Partially Exempt Continuing Connected Transactions — (A) Procurement of Chemical Solutions — historical amounts and annual caps" in this section, it is expected that the transaction amounts between our Group and Guanghua Environmental with respect of cooperation on the reclamation treatment will increase in the foreseeable future; and

(iii) the expected prevailing market price of copper taking into account its historical increasing trend. In particular, according to Frost & Sullivan, the market price of copper (RMB/ ton) in the PRC is expected to significantly increase by more than 8% by 2027 as compared to that of 2024.

Implications under the Listing Rules

As the highest applicable percentage ratio of the proposed annual caps in respect of the transactions contemplated under the Cooperation Framework Agreement for the three years ending December 31, 2027 is expected to exceed 0.1% but less than 5%, such transactions will, upon Listing, constitute continuing connected transactions of our Company subject to the reporting, annual review and announcement requirements but exempt from the circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

WAIVERS GRANTED BY THE STOCK EXCHANGE

The partially exempt continuing connected transactions as set out above constitute our continuing connected transactions under the Listing Rules, which are exempt from the circular and independent Shareholders' approval requirements but subject to the reporting, annual review and announcement requirements under the Listing Rules.

As the above continuing connected transactions are expected to be carried out on a recurring basis, our Directors consider that strict compliance with the aforesaid announcement requirement will be impractical, and such requirements will lead to unnecessary administrative costs would be unduly burdensome on us. In respect of such partially exempt continuing connected transactions, pursuant to Rule 14A.105 of the Listing Rules, we have applied for, and the Stock Exchange has granted, waivers exempting our Group from strict compliance with the announcement requirement under Rule 14A.35 of the Listing Rules. subject to the condition that the aggregate amounts of the continuing connected transactions for each financial year shall not exceed the relevant amounts set forth in the respective proposed annual caps (as stated above). Apart from the above waivers sought on the strict compliance of the announcement requirements, we will comply with the relevant requirements under Chapter 14A of the Listing Rules.

CONFIRMATION FROM OUR DIRECTORS

Our Directors (including our independent non-executive Directors) are of the view that the partially exempt continuing connected transactions as set out above have been and will be carried out in the ordinary and usual course of business of our Group and are on normal commercial terms, that are fair and reasonable and in the interest of our Company and Shareholders as a whole, and the proposed annual caps for those transactions are fair and reasonable and in the interest of our Company and Shareholders as a whole.

CONFIRMATION FROM THE JOINT SPONSORS

Having taken into account (i) the documentation and information provided by the Company; and (ii) due diligence conducted and discussions with the Company, the Joint Sponsors are of the view that (a) the partially exempt continuing connected transactions as set out above have been and will be carried out in the ordinary and usual course of business of our Group and on normal commercial terms that are fair and reasonable and in the interests of our Company and the Shareholders as a whole; and (b) the proposed annual caps for those transactions are fair and reasonable and in the interest of our Company and Shareholders as a whole.

BEFORE THE GLOBAL OFFERING

As of the Latest Practicable Date, the issued share capital of our Company consisted of 426,446,482 A Shares with a nominal value of RMB1.00 each, all of which are listed on the Shenzhen Stock Exchange.

UPON COMPLETION OF THE GLOBAL OFFERING

Immediately following the completion of the Global Offering, the issued share capital of our Company will be as follows:

	Number of Shares	Approximately % of issued share capital
A Shares in issue	426,446,482	90.26%
H Shares to be issued pursuant to the Global Offering	46,000,000	9.74%
Total	472,446,482	100.00%

OUR SHARES

Upon the completion of the Global Offering, our Shares will consist of A Shares and H Shares. Shenzhen-Hong Kong Stock Connect has established a stock connect mechanism between the Chinese Mainland and Hong Kong. Our A Shares can be traded by investors in the Chinese Mainland, 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 traded by Hong Kong and other overseas investors pursuant to the rules and limits of Shenzhen-Hong Kong Stock Connect. Our H Shares can be subscribed for or traded by Hong Kong and other overseas investors and qualified domestic institutional investors. If our H Shares are eligible securities under the Southbound Trading Link, they can also be traded by investors in the Chinese Mainland in accordance with the rules and limits of Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect.

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 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 Stock Exchange.

RANKING

Our A Shares and our H Shares are regarded as one class of Shares under our Articles of Association and shall rank *pari passu* with each other in all other respects and, in particular, will rank equally for 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 could 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.

APPROVAL FROM A SHAREHOLDERS REGARDING THE GLOBAL OFFERING

We obtained our A Shareholders' approval to issue H Shares and seek the listing of H Shares on the Stock Exchange at the shareholders' meeting of our Company held on May 16, 2025. Such approval is subject to the following conditions:

(i) **Size of the offer.** The proposed number of H Shares to be offered shall not exceed 20% of the total issued share capital enlarged by the H Shares to be issued pursuant to the Global Offering.

(ii) **Method of offering.** The method of offering shall be by way of an international offering to institutional investors and a public offer for subscription in Hong Kong.

(iii) **Target investors.** The H Shares shall be issued to public investors in Hong Kong under the Hong Kong Public Offering and international investors, qualified domestic institutional investors in the Chinese Mainland and other investors who are approved by the Chinese Mainland regulatory bodies to invest abroad in International Offering.

(iv) **Price determination basis.** The issue price of the H Shares will be determined, among others, after due consideration of the interests of existing Shareholders as a whole, acceptance of investors and the risks related to the offering, according to international practice, through the demands for orders and book building process, subject to the domestic and overseas capital market conditions and by reference to the valuation level of comparable companies in domestic and overseas markets.

(v) **Validity period.** The issue of H Shares and listing of H Shares on the Stock Exchange shall be completed within 18 months after the date of the shareholders' meeting.

There is no other approved offering plan for the Shares except the Global Offering.

SHAREHOLDERS' MEETINGS

For details of circumstance, under which our shareholders' meetings are required, see "Summary of Articles of Association — Shareholders and Shareholders' Meeting" in Appendix V to this Prospectus.

So far as our Directors are aware, immediately following the completion of the Global Offering (assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing), the following persons will have an interest or short position in Shares and/or underlying Shares of our Company which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or will be, directly or indirectly, interested in 10% or more of the issued Shares of our Company.

			Shareholding as of the Latest Practicable Date		Shareholding upon completion of the Global Offering(2)	
Name of Shareholder	Nature of interest(1)	Number and class of Shares or underlying Shares held	Approximate percentage of interest in relevant class of Shares	Approximate percentage of interest in total issued share capital	Approximate percentage of interest in relevant class of Shares	Approximate percentage of interest in total issued share capital
Mr. Xiao(3)(4)(5)(6)	Interest in controlled corporation	228,808,321 A Shares	53.65%	53.65%	53.65%	48.43%
Ms. Liu(6)	Interest of spouse	228,808,321 A Shares	53.65%	53.65%	53.65%	48.43%
Ms. Zeng Hong(7)	Interest in controlled corporation	43,249,099 A Shares	10.14%	10.14%	10.14%	9.15%
Zhenyun Investment(3)	Beneficial owner	171,142,853 A Shares	40.13%	40.13%	40.13%	36.22%
Gaungxie Investment(7)	Beneficial owner	43,249,099 A Shares	10.14%	10.14%	10.14%	9.15%
Guangsheng Investment(4)	Beneficial owner	28,832,734 A Shares	6.76%	6.76%	6.76%	6.10%
Guangcai Investment(5)	Beneficial owner	28,832,734 A Shares	6.76%	6.76%	6.76%	6.10%

Notes:

(1) All interests stated above are long positions.

(2) The calculation is based on the total number of 426,446,482 A Shares in issue immediately following the completion of the Global Offering (assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing).

(3) As of the Latest Practicable Date, Zhenyun Investment was held as to 99.90% by Mr. Xiao. By virtue of the SFO, Mr. Xiao is deemed to be interested in the Shares held by Zhenyun Investment.

(4) As of the Latest Practicable Date, the general partner of Guangsheng Investment was Mr. Xiao. By virtue of the SFO, Mr. Xiao is deemed to be interested in the Shares held by Guangsheng Investment.

(5) As of the Latest Practicable Date, the general partner of Guangcai Investment was Mr. Xiao. By virtue of the SFO, Mr. Xiao is deemed to be interested in the Shares held by Guangcai Investment.

(6) Mr. Xiao and Ms. Liu are spouses. By virtue of the SFO, they are deemed to be interested in the Shares held by each other.

(7) As of the Latest Practicable Date, the general partner of Guangxie Investment was Ms. Zeng Hong, our executive Director and general manager. By virtue of the SFO, Ms. Zeng is deemed to be interested in the Shares held by Guangxie Investment.

For details of Shareholders who will be, directly or indirectly, interested in 10% or more of the issued voting shares of other members of our Group, see "Statutory and General Information — C. Further Information about Our Directors and Substantial Shareholders — 1. Disclosure of Interests" in Appendix VI to this Prospectus.

BOARD OF DIRECTORS

Our Board comprises seven Directors, including three executive Directors, one non-executive Director and three independent non-executive Directors, namely:

Name	Age	Position(s)	Date of appointment as Director	Time of joining our Group	Roles and responsibilities in our Group	Relationship with other Directors or senior management
Mr. Xiao	58	Chairman of the Board and executive Director	March 2013	March 2013	Responsible for overall strategic planning, business development and major investment and financing decision of our Group	Spouse of Ms. Liu
Ms. Zeng Hong (曾紅)	58	Executive Director and general manager	March 2013	February 2013	Responsible for overall operation and management, strategic planning and business development of our Group	Sister of Mr. Zeng Yangqing, deputy general manager and secretary to the Board
Mr. Peng Jinghui (彭鏡輝)	38	Executive Director and employee representative Director	May 2025	December 2015	Responsible for research and development management and our research institute affairs	None
Ms. Liu	59	Non-executive Director	April 2019	March 2013	Responsible for providing strategic guidance and advice to the Board	Spouse of Mr. Xiao
Ms. Chen Limei (陳麗梅)	57	Independent non-executive Director	February 2022	February 2022	Responsible for providing independent opinion and judgment to the Board	None
Ms. Li Ying (李瑩)	57	Independent non-executive Director	June 2020	June 2020	Responsible for providing independent opinion and judgment to the Board	None
Dr. Shi Ling (施凌)	44	Independent non-executive Director	May 2025	May 2025	Responsible for providing independent opinion and judgment to the Board	None

Executive Directors

Mr. Xiao Hongxing (肖紅星), aged 58, is our executive Director and the chairman of our Board. Mr. Xiao has been the chairman of our Board since March 2013 and was redesignated as our executive Director in May 2025 with effect from the Listing. Mr. Xiao is primarily responsible for overall strategic planning, business development and major investment and financing decision of the Group.

Mr. Xiao has over 30 years of experience in the electronics industry and possesses a deep understanding of PCB and its upstream and downstream industries. Prior to joining our Group, Mr. Xiao served as a production manager at Shengyi Electronics. Mr. Xiao co-founded various companies which focused on R&D, manufacturing and application of PCB-related upstream and downstream products with Ms. Liu thereunder, including Dongguan Guanghua Chemical Co., Ltd. (東莞市廣華化工有限公司), Dongguan Superb Electronic Materials Co., Ltd. (東莞秀博電子材料有限公司) and Hubei Unitech Photoelectric Technology Co., Ltd. (湖北優尼科光電技術股份有限公司) from 2007 to 2015. Mr. Xiao was also a director of Beijing Markham Investment Management Co., Ltd. (北京馬克漢姆投資管理有限公司)[1].

In 2013, Mr. Xiao acquired our predecessor and has served as the chairman since then. In 2019, he established Huangshi Delton and has served as the executive director of Huangshi Delton since September 2019. In 2021, he established Dongguan Delton and has served as the executive director and the general manager of Dongguan Delton since January 2021. With keen market foresight, he initiated the early deployment of high speed PCB materials in cloud computing applications as early as 2016, enabling us to secure a first-mover advantage in the computing application PCBs.

Mr. Xiao graduated from South China University of Technology (華南理工大學) with a major in chemical engineering in July 1988.

Ms. Zeng Hong (曾紅), aged 58, is our executive Director and our general manager. Ms. Zeng has been been our general manager since February 2013 and our Director since March 2013. She was redesignated as our executive Director in May 2025 with effect from the Listing. Ms. Zeng is primarily responsible for overall operation and management, strategic planning and business development of the Group.

Ms. Zeng has over 30 years of experience in PCB production and quality management, with a deep understanding of the PCB industry. Prior to joining our Group, Ms. Zeng served at Shengyi Electronics from July 1988 to February 2013 and was its deputy general manager.

Ms. Zeng is a well-known expert manager in the PCB industry. She holds the professional title of senior engineer in electronic technology and held positions in multiple institutions of PCB industry associations, including as vice president of the Scientific and Technological Committee of the China Electronic Circuit Industry Association (中國電子電路行業協會科學技術委員會), as deputy director of the National Printed Circuit Standards Committee under the China Electronics Society's Electronics Manufacturing and Packaging Technology Branch (中國電子學會電子製造與封裝技術分會全國印製電路專委會). She was also a member of the Professional Standardization Technical Committee of the Guangdong Provincial Bureau of Quality and Technical Supervision (廣東省質量技術監督局專業標準化技術委員會).

1 Beijing Markham Investment Management Co., Ltd. is a company established in the PRC, whose business license was revoked in June 2019 (during which Beijing Markham Investment Management Co., Ltd. was solvent) due to the inadvertent overlook by relevant staff to complete the annual inspection within the prescribed time limit.

Ms. Zeng obtained a bachelor's degree in applied chemistry from South China University of Technology in July 1988.

Mr. Peng Jinghui (彭鏡輝), aged 38, is our executive Director and our employee representative Director. Mr. Peng joined the Company in December 2015 and was appointed as our employee representative Director in May 2025. He was redesignated as our executive Director in May 2025 with effect from the Listing. He is also the director of our research institute. Mr. Peng is primarily responsible for research and development management and our research institute affairs.

Mr. Peng has served as the process engineer of Shengyi Electronics from August 2009 to March 2013. From March 2013 to August 2015, he consecutively served as the process engineer, senior engineer and chief engineer of Delton Technology (Guangzhou) Co., Ltd. (廣合科技(廣州)有限公司), our predecessor.

Mr. Peng obtained a bachelor's degree in chemical engineering and process from Huazhong University of Science and Technology (華中科技大學) in June 2009.

Non-executive Director

Ms. Liu Jinchan (劉錦嬋), aged 59, is our non-executive Director of our Company. Ms. Liu has served as our supervisor from March 2013 to April 2019 and has been our Director since April 2019. Ms. Liu was redesignated as our non-executive Director in May 2025 with effect from the Listing and she is primarily responsible for providing strategic guidance and advice to the Board.

Ms. Liu co-founded various companies with Mr. Xiao which focused on R&D, manufacturing and application of PCB-related upstream and downstream products, including Dongguan Guanghua Chemical Co., Ltd. and Dongguan Superb Electronic Materials Co., Ltd in 2007 and 2015, respectively.

Ms. Liu graduated from Huizhou Education College (惠州教育學院) with a major in English in July 1987.

Independent Non-executive Directors

Ms. Chen Limei (陳麗梅), aged 57, was appointed as an independent Director of our Company in February 2022 and was redesignated as an independent non-executive Director in May 2025 with effect from the Listing. Ms. Chen is primarily responsible for providing independent opinion and judgment to the Board.

During 2000 to 2018, Ms. Chen worked at Guangzhou New Star Investment Development Co., Ltd. (廣州新星投資發展有限公司), Guangdong Jinqiao Accounting Firm Co., Ltd. (廣東金橋會計師事務所有限公司), Guangdong Huazheng Xindongshan Tax Agents Co., Ltd. (廣東華政新東山稅務師事務所有限公司) and Guangzhou Xindongyue Accounting Firm Co., Ltd. (廣州市新東越會計師事務所有限公司), consecutively.

Ms. Chen served as the independent director of Guangzhou Goaland Energy Conservation Tech Co., Ltd. (廣州高瀾節能技術股份有限公司) (a company listed on the Shenzhen Stock Exchange (stock code: 300499)) from May 2014 to May 2017 and as the independent director of GMG International Tendering Co.,Ltd. (國義招標股份有限公司) (a company listed on the Beijing Stock Exchange (stock code: 831039)) from December 2016 to June 2020.

Ms. Chen currently serves as a supervisor of Guangzhou Xindongyue Certified Public Accountants (廣州市新東越會計師事務所有限公司). She also serves as the independent director of Guangzhou Tinci Materials Technology Co., Ltd. (廣州天賜高新材料股份有限公司) (a company listed on the Shenzhen Stock Exchange (stock code: 002709)) since May 2020, the independent director of Guangdong Baolun Electronics Co., Ltd. (廣東保倫電子股份有限公司) since February 2023 and the director of Huangpu Culture (Guangzhou) Development Group Co., Ltd. (黃埔文化(廣州)發展集團有限公司) since July 2023.

Ms. Chen obtained a bachelor's degree in applied chemistry from South China University of Technology in July 1989. She graduated from Jinan University (暨南大學) with a major in accounting in June 1996. Ms. Chen has been accredited as a PRC Certified Public Accountant since December 2001 and as a Certified Tax Agent since June 2001.

Ms. Li Ying (李瑩), aged 57, was appointed as an independent director of our Company in June 2020 and was redesignated as an independent non-executive Director in May 2025 with effect from the Listing. Ms. Li is primarily responsible providing independent opinion and judgment to the Board.

She served as a supervisor of Guangzhou Sikeya Freight Forwarding Co., Ltd. (廣州思客亞貨運代理有限公司) from May 2016 to March 2018, and as a director of Foshan Saturday Shoes Co., Ltd. (佛山星期六鞋業股份有限公司) (currently known as Foshan Yowant Technology Co., Ltd (佛山遙望科技股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002291)) from April 2012 to September 2018.

Since November 2003, Ms. Li has been an executive partner of Guangzhou Tianyuan Tax Agents (General Partnership) (廣州天源稅務師事務所(普通合夥)). Ms. Li has also served as (i) a supervisor and a director of Xinjiaxin (Guangdong) Corporate Management Limited (信加信(廣東)企業管理有限公司) (formerly known as Guangdong Pacebo Film Co., Ltd. (廣東派斯博影業有限公司)) since August 2016 and since February 2024 respectively; (ii) an executive director and general manager of Xinjiaxin (Guangzhou) Corporate Investment Consulting Limited (信加信(廣州)企業投資顧問有限公司) (formerly known as Guangzhou Chaoli Cleaning Supplies Co., Ltd. (廣州超麗清潔用品有限公司)) since December 2016; (iii) a supervisor of Xinjiaxin (Guangzhou) Financial Management Consulting Limited since September 2020; and (iv) an independent director of Foshan Yowant Technology Co., Ltd. since March 2025.

Ms. Li completed executive master of business administration courses of Sun Yat-sen University (中山大學) in March 2017. Ms. Li has been accredited as a Certified Tax Agent since June 2004.

Dr. Shi Ling (施凌), aged 44, was appointed as an independent director of our Company in May 2025. He was redesignated as an independent non-executive Director in May 2025 with effect from the Listing and primarily responsible for supervising our Board and providing independent judgment.

Dr. Shi is a tenured professor in the Department of Electronic and Computer Engineering at the Hong Kong University of Science and Technology ("**HKUST**"). He joined the Department of Electronic and Computer Engineering at HKUST as an assistant professor in October 2008 upon completion of his doctoral studies, and is currently a professor. From February 2017 to November 2021, he served as a deputy director of the HKUST Robotics Institute and a deputy director of the HKUST-DJI Joint Innovation Laboratory. Since June 2024, he has been appointed as a deputy director of the HKUST Institute of Space Science and Technology. He was awarded with the Chen Han-Fu Award (陳翰馥獎) by the Chinese Association of Automation in 2024.

Dr. Shi obtained a bachelor's degree in electronic and electrical engineering with a minor in mathematics from HKUST in May 2002, and a Ph.D. in control and dynamical systems from the California Institute of Technology in September 2008.

SENIOR MANAGEMENT

Our senior management are responsible for the day-to-day management of our business. The table below illustrates the composition of the senior management of our Company:

Name	Age	Position(s)	Date of appointment as senior management	Time of joining our Group	Roles and responsibilities in our Group	Relationship with other Directors or senior management
Ms. Zeng Hong .	58	Executive Director and general manager	February 2013	February 2013	Responsible for overall operation and management, strategic planning, and business development of our Group	Sister of Mr. Zeng Yangqing, our deputy general manager and secretary to the Board
Mr. Li Qinyuan (黎欽源). . . .	52	Deputy general manager and chief engineer	June 2020	January 2013	Responsible for management of the Group's technical development plan and our Guangzhou factory	None
Mr. Wang Jun (王峻)	52	Deputy general manager	June 2020	February 2013	Responsible for sales and marketing and business expansion	None
Mr. Zeng Yangqing (曾楊清). . . .	48	Deputy general manager and secretary to the Board	June 2020	March 2017	Responsible for board affairs, corporate governance, capital management, investor relations and securities affairs of our Group	Brother of Ms. Zeng Hong, our executive Director and general manager

Name	Age	Position(s)	Date of appointment as senior management	Time of joining our Group	Roles and responsibilities in our Group	Relationship with other Directors or senior management
Ms. He Jianqing (賀劍青). . . .	49	Chief financial officer	June 2020	February 2017	Responsible for overall financial and funds management	None

For biographical details of Ms. Zeng Hong, see "— Board of Directors — Executive Directors" in this section.

Mr. Li Qinyuan (黎欽源), aged 52, is a deputy general manager and chief engineer of our Company and is primarily responsible for management of the Group's technical development plan and our Guangzhou factory. Mr. Li joined our Company in January 2013 and has successively served as the technical director from January 2013 to May 2017 and the chief engineer since May 2017.

Mr. Li has focused on PCB manufacture, research and development for approximately 30 years. Prior to joining our Group, he held various positions at Shengyi Electronics from July 1996 to June 2012, including assistant process engineer, engineer, senior engineer, manager, and senior manager. He then joined Guangzhou GCI Science & Technology Co. Ltd. (currently known as CETC Potevio Science & Technology Co., Ltd. (中電科普天科技股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002544)) as chief technology officer from June 2012 to December 2012.

Mr. Li has participated in various significant projects such as research on Graded Golden Finger Manufacturing Technology (分級金手指製造技術) and the Purley Platform Big Data Server System PCB Technology Breakthrough (Purley平台大數據服務器系統套板技術攻關), an Industry-Academia-Research Major Special Project of Guangzhou (廣州市產學研重大專項). Mr. Li was awarded with the third prize for Scientific and Technological Progress from the China Electronics Society (中國電子學會科學技術進步獎) in 2021 and also awarded as the PCB Industry Science and Technology Star (PCB行業科技之星) by the PCB Industry Association of Guangdong Province (廣東省電路板行業協會) in 2022. He is the primary drafter of four PCB industry standards and holds 29 invention patents.

Mr. Li obtained a bachelor's degree in chemical engineering from South China University of Technology in July 1996 and holds the professional title of senior engineer.

Mr. Wang Jun (王峻), aged 52, is a deputy general manager of our Company and is primarily responsible for our sales and marketing and business expansion. Mr. Wang joined our Company in February 2013 and has successively served as the quality director and production director from February 2013 to March 2016 and the deputy general manager since April 2016.

Prior to joining our Group, he served at Shengyi Electronics from August 1992 to February 2013 and was its director of quality.

Mr. Wang graduated from Beijing Xinghua University (北京興華大學) with a major in business administration in July 1998.

Mr. Zeng Yangqing (曾楊清), aged 48, is a deputy general manager and the secretary to the Board and is primarily responsible for board affairs, corporate governance, capital management, investor relations and securities affairs of our Group. Mr. Zeng joined our Company in March 2017 and has served as the deputy general manager and the secretary to the Board since then.

Prior to joining our Group, Mr. Zeng served at Guangdong Fortune Science & Technology Co., Ltd. (廣東福地科技股份有限公司) (currently known as Dongguan Development (Holdings) Co., Ltd. (東莞發展控股股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000828)) from July 2000 to December 2001 and subsequently served as securities affairs representative, deputy general manager and secretary to the Board at Jiangsu Boxin Investing & Holdings Co., Ltd. (江蘇博信投資控股股份有限公司) (a company formerly listed on the Shanghai Stock Exchange (stock code: 600083)) from October 2001 to June 2007. Mr. Zeng also worked at Foshan Saturday Shoes Co., Ltd. as deputy general manager and secretary to the board from July 2007 to August 2012. From May 2016 to February 2017, Mr. Zeng served as investment director at Huahao Huijin Asset Management Co., Ltd. (深圳華皓匯金資產管理有限公司) (currently known as Shenzhen Huahao Huijin Private Equity Fund Management Co., Ltd. (深圳市華皓匯金私募股權投資基金管理有限公司)).

Mr. Zeng obtained a bachelor's degree in automatic testing technology and instruments from China Jiliang University (中國計量大學) in June 2000.

Ms. He Jianqing (賀劍青), aged 49, is the chief financial officer of our Company and is primarily responsible for overall financial and funds management. Ms. He joined our Company in February 2017 and has served as our chief financial officer since then.

Prior to joining our Group, Ms. He served in various companies, including Airmate Electric (Shenzhen) Co., Ltd. (艾美特電器(深圳)有限公司) from October 2002 to August 2004, Foxconn Technology Group (富士康科技集团) from September 2004 to July 2011 and Shenzhen Kaizhong Precision Technology Co., Ltd. (深圳市凱中精密技術股份有限公司) (a company listed on the Shenzhen Stock Exchange (stock code: 002823)) from July 2011 to January 2017.

Ms. He graduated from Fujian Normal University (福建師範大學) with a major in financial management through online learning in July 2016. Ms. He held Intermediate Accounting Professional Qualification (中級會計專業技術資格).

JOINT COMPANY SECRETARIES

Mr. Zeng Yangqing (曾楊清), the secretary of our Board, was appointed as one of our joint company secretaries in May 2025. For the biographical details of Mr. Zeng, see "— Senior Management" above in this section.

Ms. Kwan Sau In (關秀妍) was appointed as a joint company secretary of our Company in August 2025. Ms. Kwan serves as a senior manager of company secretarial services of Tricor Services Limited and has over 12 years of the corporate secretarial experience for Hong Kong listed companies as well as multinational, private and offshore companies.

Ms. Kwan obtained her master's degree in law (Chinese Law) from The University of Hong Kong and bachelor's degree of business administration in corporate administration from Hong Kong Metropolitan University (formerly known as the Open University of Hong Kong). Ms. Kwan is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

OTHER INFORMATION

Save as disclosed above, none of our Directors and senior management have held any directorships in public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years immediately preceding the Latest Practicable Date.

Save as disclosed above, to the best of the knowledge, information and belief of our Directors having made all reasonable enquiries, there was no other matter with respect to the appointment of our Directors that needs to be brought to the attention of our Shareholders and there was no information relating to our Directors that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules as of the Latest Practicable Date.

BOARD COMMITTEES

Our Board has established the Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee and the Strategy and ESG Committee. These committees operate in accordance with the terms of references established by our Board.

Audit Committee

We have established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules (the "**Corporate Governance Code**"). The Audit Committee consists of three Directors, namely Ms. Chen Limei, Ms. Li Ying and Ms. Liu. Ms. Chen Limei is the chairperson of the Audit Committee who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules. The primary duties of the Audit Committee include, but are not limited to reviewing and overseeing the financial reporting process, internal control and risk management systems of our Group and the audit process and providing advice and comments to our Board.

Remuneration and Appraisal Committee

We have established the Remuneration and Appraisal Committee with written terms of reference in compliance with Rule 3.25 of the Listing Rules and the Corporate Governance Code. The Remuneration and Appraisal Committee consists of three Directors, namely Ms. Chen Limei, Ms. Li Ying and Ms. Zeng Hong. Ms. Chen Limei is the chairperson of the Remuneration and Appraisal Committee. The primary duties of the Remuneration and Appraisal Committee include, but are not limited to making recommendations to the Board on our remuneration policy and structure for our Directors and senior management and determining the specific remuneration packages of each Director and senior management.

Nomination Committee

We have established the Nomination Committee with written terms of reference in compliance with Rule 3.27A of the Listing Rules and the Corporate Governance Code to the Listing Rules. The Nomination Committee consists of three Directors, namely Ms. Li Ying, Ms. Chen Limei and Mr. Xiao. Ms. Li Ying is the chairperson of the Nomination Committee. The primary duties of the Nomination Committee include, but are not limited to reviewing the structure, size and composition of the Board on a regular basis and making recommendations to the Board on matters relating to the appointment of Directors and management of Board succession.

Strategy and ESG Committee

We have established a Strategy and ESG Committee with written terms of reference. The Strategy and ESG Committee comprises two executive Directors and one independent non-executive Director, namely Mr. Xiao, Ms. Zeng Hong and Mr. Li Ying. Mr. Xiao is the chairperson of the committee. The primary duties of the Strategy and ESG committee are to research on making recommendations to our Board on our long-term development strategies and major investment decisions, and supervise the implementation of environmental, social and governance matters.

CORPORATE GOVERNANCE

We are committed to achieve high standards of corporate governance with a view to safeguarding the interests of our Shareholders. To accomplish this, our Company complies or intends to comply with the corporate governance requirements under the Corporate Governance Code set out in Appendix C1 to the Listing Rules after the Listing.

BOARD DIVERSITY

We have adopted a board diversity policy which sets out the objective and approach for achieving and maintaining diversity of the Board. We seek to achieve board diversity by taking into account a number of factors when selecting candidates to the Board, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and/or length of service.

Our Board currently consists of four female and three male Directors, ranging from 38 years old to 59 years old with a balanced mix of knowledge and skills, including, but not limited to, overall management and strategic development, accounting and finance and electronic and electrical engineering. They obtained degrees and certificates in various majors including chemistry, English, accounting, economic management, and electronic and electrical engineering. Taking into account our existing business model and specific needs, as well as the different backgrounds of our Directors, the composition of our Board satisfies our board diversity policy.

Upon the Listing, the Nomination Committee will from time to time (i) discuss and agree on expected goals to ensure board diversity, and (ii) review the board diversity policy to ensure its continued effectiveness.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Our Directors and senior management receive remuneration, including salaries, allowances, discretionary bonus and other benefits in kind, including our contribution to the pension plan on their behalf. The remuneration of our Directors is determined based on each Director's responsibilities, qualification, position and seniority. For more information about our Directors, including the particulars of their service contracts and remuneration, and details of the interests of the Directors in the Shares (within the meaning of Part XV of the SFO), see "Appendix VI — Statutory and General Information — C. Further Information about Our Directors and Substantial Shareholders — 2. Particulars of Directors' Service Contracts."

The aggregate amount of remuneration (including basic salaries, housing allowances, other allowances and benefits in kind, contributions to pension plans, discretionary bonus and share-based payment) for our Directors for each of the year ended December 31, 2022, 2023 and 2024 and the nine months ended September 30, 2025 was approximately RMB4.2 million, RMB4.2 million, RMB4.2 million and RMB4.9 million, respectively. None of our Directors waived any remuneration during the aforesaid periods. The aggregate amount of remuneration (including basic salaries, housing allowances, other allowances and benefits in kind, contributions to pension plans, discretionary bonus and share-based payment) for the then five highest paid individuals (including one Director for each of the year ended December 31, 2022, 2023 and 2024 and the nine months ended September 30, 2025) for each of the year ended December 31, 2022, 2023 and 2024 and the nine months ended September 30, 2025 was approximately RMB15.7 million, RMB16.1 million, RMB17.1 million and RMB16.0 million, respectively.

Under the arrangements currently in force, we estimate that the aggregate remuneration payable to, and benefits in kind receivable by, our Directors by any member of our Group in respect of the year ending December 31, 2025 is approximately RMB6.7 million.

During the Track Record Period, no remuneration was paid to our Directors or the five highest paid individuals as an inducement to join, or upon joining, our Group. No compensation was paid to, or receivable by, our Directors or past directors for the loss of office during the Track Record Period.

For further information on our Directors' remuneration during the Track Record Period as well as information on the five highest paid individuals, see Note 8 and 9 to the Accountants' Report in Appendix I to this Prospectus.

Save as disclosed above in this section and the sections headed "Financial Information", "Appendix I — Accountants' Report" and "Appendix VI — Statutory and General Information" in this Prospectus, no other payments have been paid or are payable in respect of the Track Record Period to our Directors by our Group.

COMPLIANCE ADVISOR

We have appointed Yue Xiu Capital Limited as our compliance advisor pursuant to Rule 3A.19 of the Listing Rules. Our compliance advisor will provide us with guidance and advice as to compliance with the Listing Rules and applicable Hong Kong laws. Pursuant to Rule 3A.23 of the Listing Rules, the compliance advisor will, amongst other things, advise our Company in the following circumstances:

- before the publication of any regulatory announcement, circular or financial report;
- where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;
- where we propose to use the proceeds of the Global Offering in a manner different from that detailed in this Prospectus or where our business activities, development or results of our Group deviate from any forecast, estimate or other information in this Prospectus; and
- where the Stock Exchange makes an inquiry to our Company concerning unusual movements in the price or trading volume of our listed securities or any other matters under Rule 13.10 of the Listing Rules.

The term of appointment of our compliance advisor shall commence on the Listing Date and end 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.

CONFIRMATION FROM OUR DIRECTORS

Rule 8.10 of the Listing Rules

Each of our Directors confirms that he or she does not have any interest in a business apart from the business of our Group which competes or is likely to compete, whether directly or indirectly, with our 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 a legal opinion as referred to under Rule 3.09D of the Listing Rules in May or June 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 confirms (i) his or her independence with respect to each of the factors referred to in Rule 3.13 (1) to (8) of the Listing Rules; (ii) as of the Latest Practicable Date, he or she has no past or present financial or other interest in the business of Company or its subsidiaries or any connection with any core connected person of our Company; and (iii) there are no other factors that may affect his or her independence at the time of his or her appointment.

THE CORNERSTONE PLACING

We have entered into cornerstone investment agreements (each a "**Cornerstone Investment Agreement**," and together the "**Cornerstone Investment Agreements**") with the cornerstone investors set out below (each a "**Cornerstone Investor**", and together the "**Cornerstone Investors**"), pursuant to which the Cornerstone Investors have agreed to, subject to certain conditions, subscribe, or cause their designated entities to subscribe, at the Offer Price, for such number of Offer Shares (rounded down to the nearest whole board lot of 100 H Shares) that may be purchased for an aggregate amount of approximately US$190 million (or approximately HK$1,486.15 million, calculated based on the exchange rates as disclosed in Information about this Prospectus and the Global Offering — Exchange Rate Conversion" in this Prospectus (assuming an indicative Offer Price of HK$71.88 being the maximum Offer Price)) and exclusive of brokerage fee, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee (the "**Cornerstone Placing**").

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 our Company is initially offering approximately 10.00% of the total number of Offer Shares in the Hong Kong Public Offering, no more than 50.00% 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 our Company, the Joint Sponsors and the 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, our Company, the Joint Sponsors and the 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 where necessary based on the final Offer Price to ensure compliance with the Cornerstone Placing Allocation Limit, and will disclose the number of the Offer Shares finally allocated to each of the Cornerstone Investors in the allotment results announcement of our Company to be published on or around March 19, 2026.

Based on the Offer Price of HK$71.88 per Offer Share, being the maximum Offer Price, the total number of Offer Shares to be subscribed for by the Cornerstone Investors would be 20,674,800 H 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.

% of the Offer Shares	% of the total issued share capital
44.95%	4.38%

We believe that the Cornerstone Placing demonstrates the Cornerstone Investors' confidence in us and our business prospect, and that the Cornerstone Placing will help raise our profile. We became acquainted with each of the Cornerstone Investors in its ordinary course of operation through the Group's business network or through introduction by the Company's business partners or the Underwriters in the Global Offering.

The Cornerstone Placing will form part of the International Offering, and, save as otherwise obtained consent from the Stock Exchange, the Cornerstone Investors (for Cornerstone Investor(s) who will subscribe for the Offer Shares through qualified domestic institutional investor(s) (the "**QDII(s)**"), plus the QDII(s)), 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 (for Cornerstone Investor(s) who will subscribe for the Offer Shares through QDII(s), plus the QDII(s)) will rank *pari passu* in all respects with the fully paid H Shares in issue following the Global Offering and will be counted towards the public float of our Company under Rule 19A.13A of the Listing Rules and in compliance with the requirement under Rule 8.08(3) of the Listing Rules. Immediately following the completion of the Global Offering, the Cornerstone Investors or their close associates will not, by virtue of their cornerstone investments, have any Board representation in our Company, and none of the Cornerstone Investors and their close associates will become a substantial Shareholder. Other than a guaranteed allocation of the relevant Offer Shares at the final Offer Price, the Cornerstone Investors do not have any preferential rights under each of their respective Cornerstone Investment Agreements, as compared with other public Shareholders. There are no side arrangements or agreements between our Company and the Cornerstone Investors or any benefit, direct or indirect, conferred on the Cornerstone Investors by virtue of or in relation to the Listing, other than a guaranteed allocation of the relevant Offer Shares at the final Offer Price, following the principles as set out in Chapter 4.15 of the Guide for New Listing Applicants.

Among the Cornerstone Investors, Dajia Life, CSICM and UBS AM Singapore are either Existing Minority Shareholders (holding less than 5% of the voting rights in our Company as of the Latest Practicable Date) or their respective close associates. The Stock Exchange has granted a waiver from strict compliance with the requirements under Rule 10.04 and consent under Paragraph 1C(2) of the Appendix F1 to the Listing Rules to permit H Shares in the International Offering to be placed to certain Existing Minority Shareholders and/or their close associates. For further details, see "Waivers and Exemption – Allocation of H Shares to Existing Minority Shareholders and Their Close Associates."

To the best knowledge and belief of our Company, (i) each of the Cornerstone Investors (for Cornerstone Investor(s) who will subscribe for the Offer Shares through QDII(s), plus the QDII(s)) is an Independent Third Party; (ii) none of the Cornerstone Investors (for Cornerstone Investor(s) who will subscribe for the Offer Shares through QDII(s), plus the QDII(s)) (save for certain Cornerstone Investors who are Existing Minority Shareholder(s) or their close associates) is accustomed to taking instructions from our Company, the Directors, chief executive, Controlling Shareholders, substantial Shareholders, existing 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 (for Cornerstone Investor(s) who will subscribe for the Offer Shares through QDII(s), plus the QDII(s)) is financed by our Company, the Directors, chief executive, Controlling Shareholders, substantial Shareholders, existing Shareholders or any of their respective subsidiaries or their respective close associates; (iv) each Cornerstone Investor will be utilizing its internal financial resources, financial resources of its shareholders or (in the case of Cornerstone Investors which are funds or investment managers) the assets managed for its investors as its source of funding for the subscription of the Offer Shares, and each Cornerstone Investor has sufficient funds to settle its respective investment under the Cornerstone Placing; and (v) each of the Cornerstone Investors has confirmed that all necessary approvals have been obtained with respect to the Cornerstone Placing and that no specific approval from any stock exchange (if relevant) is required for the relevant Cornerstone Placing. In addition, to the best knowledge of our Company, save as otherwise disclosed, each of the Cornerstone Investors is independent from each other and makes independent investment decisions.

The Cornerstone Investors have agreed to pay for the relevant Offer Shares that they have subscribed for before dealings in the H Shares commence on the Stock Exchange. As such, there will be no deferred settlement of payment of the investment amounts. Since there is no over-allotment option in the International Offering, there will be no delayed delivery or deferred settlement of Offer Shares to be subscribed by the Cornerstone Investors.

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 March 19, 2026.

To the best knowledge of our Company and the Overall Coordinators, and based on the indicative interest of investment of the Cornerstone Investors and/or their close associates as of the date of this Prospectus, certain Cornerstone Investors and/or their close associates may participate in the International Offering as placees and subscribe for further Offer Shares in the Global Offering. Our Company will seek the Stock Exchange's consent and/or waiver to allow the Cornerstone Investors and/or their close associates to participate in the International Offering as placees pursuant to Chapter 4.15 of the Guide for New Listing Applicants. Whether such Cornerstone Investors and/or their close associates will place orders in the International Offering are uncertain and will be subject to the final investment decisions of such investors and the terms and conditions of the Global Offering.

THE CORNERSTONE INVESTORS

The table below sets forth details of the Cornerstone Placing:

Cornerstone Investor	Subscription amount [1][2]	Number of Offer Shares[3]	Approximate % of the Offer Shares	Approximate % of the issued Share capital
	(US$ in millions)			
CPE	15.90	1,730,200	3.76%	0.37%
Yuanfeng Asset Management and GTINV (in connection with the Yuanfeng OTC Swaps)	14.10	1,534,300	3.34%	0.32%
Shanghai Greenwoods and CITIC Securities International Capital Management Limited (in connection with CITICS Back-to-back TRS and CITICS Client TRS).	0.82	88,700	0.19%	0.02%
HK Greenwoods	29.18	3,175,800	6.90%	0.67%
UBS AM Singapore	30.00	3,264,500	7.10%	0.69%
Value Partners	30.00	3,264,500	7.10%	0.69%
Eastspring	15.00	1,632,200	3.55%	0.35%
GBAHIL	15.00	1,632,200	3.55%	0.35%
MY Asian	10.00	1,088,100	2.37%	0.23%
Barings	10.00	1,088,100	2.37%	0.23%
Dajia Life	10.00	1,088,100	2.37%	0.23%
ICBC Wealth	10.00	1,088,100	2.37%	0.23%
Total	**190.00**	**20,674,800**	**44.95%**	**4.38%**

Notes

(1) Exclusive of brokerage, the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy, and to be converted to Hong Kong dollars based on the exchange rate as disclosed in this Prospectus.

(2) Each of the Cornerstone Investors has agreed in their respective Cornerstone Investment Agreements that our Company, the Joint Sponsors and the Overall Coordinators shall have the right to, in their sole and absolute discretion, adjust the allocation of the number of Offer Share to be subscribed for by the relevant Cornerstone Investor to ensure compliance with the Listing Rules, including the Cornerstone Placing Allocation Limit. Our Company, the Joint Sponsors and the 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 where necessary based on the final Offer Price and will disclose the number of the Offer Shares finally allocated to each of the Cornerstone Investors in the allotment results announcement of our Company to be published on or around March 19, 2026.

(3) Rounded down to the nearest whole board lot of 100 H Shares.

(4) Assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing.

The information about the Cornerstone Investors sets forth below has been provided by the Cornerstone Investors in connection with the Cornerstone Placing.

CPE

CPE Greater China Enterprises Growth Fund and CPE Growth Fund #1 (collectively, the "**CPE Funds**") are exempted companies incorporated with limited liability under the laws of the Cayman Islands for an unlimited duration. The CPE Funds are managed by China Pinnacle Equity Management Limited ("**CPE**"), a company incorporated with limited liability in August 2017 in Hong Kong and is licensed to conduct Type 4 (Advising on Securities) and Type 9 (Asset Management) regulated activities under Part V of the SFO with CE number BKY108, on an investment management discretionary basis. It is principally engaged in fund management and the provision of investment advisory services to professional investors as defined under the SFO, including corporations, institutions and high net worth individual investors. CPE holds 100 management shares in the CPE Funds and controls their entire voting rights. Mr. Ni Fei, director of CPE, indirectly holds 30% shares interest in CPE. Save for Mr. Ni Fei, no single ultimate beneficial owner holds 30% or more interest in CPE. In addition, no single ultimate beneficial owner holds 30% or more interest in each of the CPE Funds.

Yuanfeng Asset Management and GTINV (in connection with the Yuanfeng OTC Swaps)

Guotai Junan Investments (Hong Kong) Limited ("**GTINV**") and Guotai Haitong Securities Co., Ltd. ("**GTHT**") will enter into a series of cross border delta-one OTC swap transactions (the "**Yuanfeng OTC Swaps**") with each other and with Beijing Yuanfeng Asset Management L.L.P. ("**Yuanfeng Asset Management**"), acting in its capacity as investment manager for and on behalf of the investment fund Yuanfeng Value Fund (源峰價值私募證券投資基金) (the "**GTHT Ultimate Client (Yuanfeng)**"), pursuant to which GTINV will hold the Offer Shares on a non-discretionary basis to hedge the Yuanfeng OTC Swaps while the economic risks and returns of the underlying Offer Shares are passed to the GTHT Ultimate Client (Yuanfeng), subject to customary fees and commissions. The Yuanfeng OTC Swaps will be fully funded by the GTHT Ultimate Client (Yuanfeng).

During the terms of the Yuanfeng OTC Swaps, all economic returns of the Offer Shares subscribed by GTINV will be passed to the GTHT Ultimate Client (Yuanfeng) and all economic loss shall be borne by the GTHT Ultimate Client (Yuanfeng) through the Yuanfeng OTC Swaps, and GTINV will not take part in any economic return or bear any economic loss in relation to the Offer Shares. Despite that GTINV will hold the legal title of the Offer Shares by itself, it will not exercise the voting rights attaching to the relevant Offer Shares during the terms of the Yuanfeng OTC Swaps according to its internal policy. To the best of GTINV's knowledge having made all reasonable inquiries, the GTHT Ultimate Client (Yuanfeng) is an independent third party of GTINV, GTHT and the companies which are members of the same group of GTHT.

GTINV is a Hong Kong incorporated company. Its principal business activities are trading and investments. It is indirectly wholly owned by Guotai Haitong Securities Co., Ltd., a leading securities firm in China with its shares dually listed in both Shanghai (SSE:601211) and Hong Kong (HKEX:2611).

The GTHT Ultimate Client (Yuanfeng) is an investment fund managed by Yuanfeng Asset Management. No single ultimate beneficial owner holds 30% or more interest in the GTHT Ultimate Client (Yuanfeng).

Yuanfeng Asset Management is a private fund manager incorporated in the PRC and registered with the Asset Management Association of China. It is principally engaged in management of private securities investment fund. No single ultimate beneficial owner holds 30% or more interest in Yuanfeng Asset Management.

Shanghai Greenwoods and CITIC Securities International Capital Management Limited (in connection with CITICS Back-to-back TRS and CITICS Client TRS)

CSICM and CITICS will enter into the CITICS Back-to-back TRS, in connection with the CITICS Client TRS placed by and fully funded by an ultimate client (the "**Ultimate Client (Shanghai Greenwoods)**"), under which terms and conditions the full economic return and loss of the Offer Shares placed to CSICM will be ultimately borne by the Ultimate Client (Shanghai Greenwoods). CSICM will hold the Offer Shares on a non-discretionary basis to hedge the CITICS Back-to-back TRS in connection with the CITICS Client TRS order placed by the Ultimate Client (Shanghai Greenwoods), and the full economic return and loss of the Offer Shares will be ultimately borne by the Ultimate Clients (Shanghai Greenwoods) according to the terms and conditions under the CITICS Back-to-back TRS and the CITICS Client TRS, subject to customary fees and commissions. CSICM will not take part in any economic return or bear any economic loss in relation to the Offer Shares.

The Ultimate Client (Shanghai Greenwoods) may, after expiration of the lock-up period beginning from the date of the cornerstone agreement entered into among CSICM, the Company and the Joint Sponsors, and ending on the date which is six months from the Listing Date, request to early terminate the CITICS Client TRS at their own discretions, upon which CSICM may terminate the CITICS Back-to-back TRS and dispose of the Offer Shares on the secondary market and the Ultimate Client (Shanghai Greenwoods) will receive a final settlement amount of the CITICS Client TRS in cash in accordance with the terms and conditions of the CITICS Client TRS. Despite that CSICM will hold the legal title of the Offer Shares by itself, it will not exercise the voting right of the Offer Shares during the tenor of the CITICS Back-to-back TRS according to its internal policy.

To the best of CSICM's knowledge having made all reasonable inquiries, the Ultimate Client (Shanghai Greenwoods) is an independent third party of (i) the Company, the connected persons or associates thereof, and (ii) CSICM and the companies which are members of the same group of CSICM.

CSICM is a wholly-owned subsidiary of CITICS, of which its shares are listed on the Shanghai Stock Exchange (stock code: 600030) and the Hong Kong Stock Exchange (stock code: 6030). CSICM is a connected client (as defined under Appendix F1 to the Listing Rules) of CLSA Limited, holding securities on a non-discretionary basis on behalf of independent third parties.

The Company has applied to the Stock Exchange for, and the Stock Exchange has granted, its consent under paragraph 5(1) of Appendix F1 to the Listing Rules to permit us to allocate the Offer Shares to CSICM. See "Waivers — Consent in Respect of Cornerstone Investment by Connected Clients."

Ultimate Client (Shanghai Greenwoods) is a domestic private fund managed by Shanghai Greenwoods Asset Management Co., Ltd (上海景林資產管理有限公司) ("**Shanghai Greenwoods**"). No single ultimate beneficial owner holds 30% or more interest in the Ultimate Client (Shanghai Greenwoods). Shanghai Greenwoods is a private fund management company with the registration under AMAC. Shanghai Greenwoods is one of the largest and earliest PRC domestic asset managers mainly specializing in investing into companies in the Greater China region. Shanghai Greenwoods focuses on fundamental research, value investments, and local due diligence. Investors of funds managed by Shanghai Greenwoods include institutional investors and high-net-worth individuals professional investors. Mr. Jiang Jinzhi is the Chairman and an ultimate beneficial owner of Shanghai Greenwoods. No other shareholder holds 30% or more interest in Shanghai Greenwoods. As confirmed by Shanghai Greenwoods, the subscription of the Offer Shares as cornerstone investor will be made by Shanghai Greenwoods in its capacity as the fund manager of a domestic private fund through TRS mechanism.

HK Greenwoods

Greenwoods Asset Management Hong Kong Limited ("**HK Greenwoods**") is a private fund management company incorporated in Hong Kong with limited liability. Established in 2005, HK Greenwoods is one of the largest and earliest China-focused asset managers mainly specializing in investing into companies in the Greater China region. HK Greenwoods focuses on fundamental research, value investments, and local due diligence. Investors of funds and accounts managed by HK Greenwoods includes institutional investors and high-net-worth individuals professional investors. Mr. Jiang Jinzhi is the Chairman and an ultimate beneficial owner of HK Greenwoods.

As confirmed by HK Greenwoods, the subscription of the Offer Shares as a cornerstone investor will be made by HK Greenwoods in its capacity as the investment manager of Golden China Master Fund and Greenwoods Value Income Fund. As of January 31, 2026, (i) no single ultimate beneficial owner holds 30% or more interest in the Golden China Master Fund; (ii) no single ultimate beneficial owner other than Mr. Yang Xianxiang holds 30% or more interest in the Greenwoods Value Income Fund. HK Greenwoods and Shanghai Greenwoods are affiliate of each other.

UBS AM Singapore

UBS Asset Management (Singapore) Ltd. ("**UBS AM Singapore**"), a company incorporated in Singapore in December 1993, has entered into a Cornerstone Investment Agreement with the Company, the Joint Sponsors and the Overall Coordinators, in its capacity as the delegate of the investment manager on a discretionary basis for and on behalf of the following fund(s): (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. To the best of UBS AM Singapore's knowledge, no single ultimate beneficial owner holds 30% or more interest in those funds. UBS AM Singapore 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).

Value Partners

Each of Value Partners Hong Kong Limited (incorporated in Hong Kong in 1999) and Value Partners Limited (incorporated in the British Virgin Islands in 1991) has agreed to procure certain investment funds that it has actual discretionary investment management power over, to subscribe for such number of Shares which may be purchased with an aggregate amount of approximately US$25.10 million (exclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee, the AFRC transaction levy and other related expenses) and approximately US$4.90 million (exclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee, the AFRC transaction levy and other related expenses), respectively, at the Offer Price. The investment funds that Value Partners Limited intends to procure include Value Partners Intelligent Funds – Chinese Mainland Focus Fund, Value Partners Intelligent Funds — China Convergence Fund, Value Partners China Greenchip Fund Limited, Value Partners Intelligent Funds — JA-VP China New Century Funds, and the investment funds Value Partners Hong Kong Limited intends to procure include Value Partners Multi-Asset Fund, Value Partners Fund Series — Value Partners Asian Income Fund, Value Partners High-Dividend Stocks Fund, Value Partners Classic Fund, Value Partners Funds SPC — Value Partners China A-Share Innovation Fund SP and Value Partners Ireland Fund ICAV – Value Partners Asia Ex-Japan Equity Fund. Each of Value Partners Hong Kong Limited and Value Partners Limited (together with other subsidiaries under Value Partners Group Limited ("**Value Partners**")), acts as investment manager or investment advisor to certain investment funds. Both Value Partners Hong Kong Limited and Value Partners Limited are wholly-owned subsidiaries of Value Partners Group Limited, a company listed on the Stock Exchange (stock code: 806). Value Partners is one of Asia's largest independent asset management firms. It is headquartered in Hong Kong and operates in Shanghai, Shenzhen and Singapore. Value Partners' investment strategies cover equities, fixed income, multi-asset, quantitative investment solutions and alternatives for institutional and individual clients in the Asia Pacific and Europe. As of December 31, 2025, it has asset under management of approximately US$6.2 billion.

Eastspring

Eastspring Investments (Singapore) Limited ("**Eastspring**"), established in 1994 and headquartered in Singapore, brings over 30 years of investment expertise in Asia. Eastspring is ultimately 100% held by Prudential plc, a publicly listed company, which has dual primary listings on the Stock Exchange of Hong Kong (HKEX: 2378) and the London Stock Exchange (LSE: PRU), and a secondary listing on the Singapore Stock Exchange (SGX: K6S) and a listing on the New York Stock Exchange (NYSE: PUK) in the form of American Depositary Receipts. As of September 30, 2025, Eastspring manages US$286 billion in assets. Eastspring offers a diverse range of investment strategies for both Asian and non-Asian institutions, working closely with its local offices to deliver tailored solutions to institutional clients. Eastspring, acting as the discretionary investment manager for and on behalf of two discretionary funds (the "**ESI Managed Funds**"), has agreed to participate in the Global Offering and for such ESI Managed Funds to invest as Cornerstone Investor. The ESI Managed Funds comprise an open-end mutual fund (namely Eastspring Investments — Asia Opportunities Equity Fund) and a segregated mandate (namely AHAPAG — Asia Pacific Active Growth Equity Portfolio) established under various jurisdictions and have multiple holders, who together with their ultimate beneficial owners are, to the best of the knowledge, information and belief of the Company, Independent Third Parties. The only ultimate beneficial owner for each of Eastspring Investments — Asia Opportunities Equity Fund and AHAPAG — Asia Pacific Active Growth Equity Portfolio is Prudential plc.

GBAHIL

Each of Mega Prime Development Limited ("**Mega Prime**") and Poly Platinum Enterprises Limited ("**Poly Platinum**") has entered into a Cornerstone Investment Agreement with our Company to subscribes, respectively, for the Offer Shares. Mega Prime (via a discretionary account in its name), Poly Platinum and GBA Fund (as defined below) are managed by Greater Bay Area Development Fund Management Limited (大灣區發展基金管理有限公司) ("**GBADFML**"), a company wholly owned by Greater Bay Area Homeland Investments Limited ("**GBAHIL**") and licensed under the SFO to conduct type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities in Hong Kong. No single ultimate beneficial owner holds 30% or more interests in GBADFML. Mega Prime is the owner of the discretionary account through which its investment will be made, and that account is fully managed by GBADFML. GBADFML's internal investment committee is responsible for making its investment decisions.

Mega Prime is a company incorporated in the British Virgin Islands with limited liability. It is an investment company with active participation in Hong Kong IPOs as a cornerstone investor. Its investment portfolio includes, among others, GigaDevice (stock code: 3986), Zijin Gold Intl (stock code: 2259) and Edge Medical-B (stock code: 2675). Mega Prime is a wholly-owned subsidiary of GBA Homeland Limited, which in turn is wholly owned by GBAHIL.

Poly Platinum is a company incorporated in the British Virgin Islands with limited liability and is wholly-controlled by Greater Bay Area Homeland Development Fund LP ("**GBA Fund**"). GBA Fund is a private fund established in the Cayman Islands and has nine limited partners, each of which holds less than 16% equity interest therein. The general partner of the GBA Fund is Greater Bay Area Homeland Development Fund (GP) Limited (大灣區共同家園發展基金(GP)有限公司), which is ultimately wholly-owned by GBAHIL.

GBAHIL is a company incorporated in Hong Kong with limited liability and is jointly owned by ten shareholders, each of which holds less than 13% equity interest therein. GBAHIL's business encompasses investment, investment holding and the establishment or management of private equity funds through its subsidiaries to grasp the historical opportunities of the development of Guangdong-Hong Kong-Macao Greater Bay Area, and the construction of an international innovation and technology hub, focusing on technological innovation, industrial upgrading, quality of life, smart city and all other related industries.

MY Asian

MY Asian Opportunities Master Fund, L.P. ("**MY Asian**") is a discretionary investment 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.

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$481 billion (assets under management as of December 31, 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. No single ultimate beneficial owner holds 30% or more interest in MassMutual.

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.

Dajia Life

Dajia Life Insurance Co., Ltd. ("**Dajia Life**") is a professional life insurance company which is a subsidiary of Dajia Insurance Group, which is ultimately controlled by China Insurance Security Fund Company Limited ("**China Insurance Company**"). China Insurance Company is wholly owned by the Ministry of Finance of the People's Republic of China. Established in June 2010 and headquartered in Beijing, Dajia Life has a registered capital of RMB30.79 billion and mainly engages in various personal insurance businesses such as life insurance, health insurance, accident insurance, reinsurance business of the above-mentioned businesses, and other businesses approved by the National Financial Regulatory Administration. Currently, Dajia Life has a total of 19 provincial-level branches in operation.

ICBC Wealth

ICBC Wealth Management Co., Ltd. ("**ICBC Wealth**") was established in May 2019 in Beijing, with a registered capital of RMB16 billion. It is a wholly-owned subsidiary of Industrial and Commercial Bank of China Limited, a company listed on the Shanghai Stock Exchange (stock code: 601398) and the Stock Exchange (stock code: 1398). The business scope of ICBC Wealth 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 qualified investors, investment and management of entrusted assets for investors; wealth management advisory and consulting services; and other businesses as approved by the banking regulatory authority under the State Council.

CLOSING CONDITIONS

The obligation of each Cornerstone Investor or each QDII (as applicable) to subscribe for the Offer Shares under the respective Cornerstone Investment Agreement is subject to, among other things, the following closing conditions:

(i) the Underwriting Agreements for the Hong Kong Public Offering and the International Offering being entered into and having become effective and unconditional (in accordance with their respective original terms or as subsequently waived or varied by agreement of the parties thereto) by no later than the time and date as specified in the Underwriting Agreements, and neither of the aforesaid Underwriting Agreements having been terminated;

(ii) the Offer Price having been agreed upon between our Company and the Overall Coordinators (for themselves and on behalf of the Underwriters);

(iii) the Stock Exchange having granted the approval for the listing of, and permission to deal in, the H Shares (including the H Shares to be subscribed for by the Cornerstone Investors) as well as other applicable waivers and approvals, and such approval, permission or waiver having not been revoked prior to the commencement of dealings in the H Shares on the Stock Exchange;

(iv) the CSRC having accepted the CSRC filings and published the filing results in respect of the CSRC Filings on its website, and such notice of acceptance and/or filing results published not having otherwise been rejected, withdrawn, revoked or invalidated prior to the commencement of dealings in the H Shares on the Stock Exchange;

(v) no laws shall have been enacted or promulgated by any governmental authorities which prohibits the consummation of the transactions contemplated in the Global Offering or in the respective Cornerstone Investment Agreements, and there shall be no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions; and

(vi) the respective representations, warranties, undertakings, confirmations and acknowledgements of the relevant Cornerstone Investor under the respective Cornerstone Investment Agreement are accurate and true in all respects and not misleading and that there is no material breach of the Cornerstone Investment Agreement on the part of the relevant Cornerstone Investor.

RESTRICTIONS ON THE CORNERSTONE INVESTORS

Each of the Cornerstone Investors has agreed that it will not, whether directly or indirectly, at any time during the period of six months from (and inclusive of) the Listing Date (the "**Lock-up Period**"), dispose of, in any way, any of the Offer Shares or any interest in any company or entity holding such Offer Shares that they have purchased pursuant to the relevant Cornerstone Investment Agreement, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restriction.

FUTURE PLANS

See "Business — Our Strategies" for a detailed description of our future plans.

USE OF PROCEEDS

Assuming an Offer Price of HK$71.88 per Share (being the maximum Offer Price stated in this Prospectus), we estimate that we will receive net proceeds of approximately HK$3,175.4 million (equivalent to approximately RMB2,804.7 million) from the Global Offering after deducting the underwriting commission and other estimated expenses paid and payable by us in connection with the Global Offering.

In line with our strategies, we intend to use our proceeds from the Global Offering for the purposes and in the amounts set forth below:

Approximately 19.7% of the net proceeds, or HK$625.8 million (equivalent to approximately RMB552.8 million), is expected to be used for, our Thai Base Phase II, which is in line with one of our strategies detailed in "Business — Our Strategies — Market Strategy: Expanding and Deepening our Global Presence." These proceeds are expected to be used to expand our production capabilities by acquiring and installing advanced production equipment and optimize manufacturing processes and product quality for Thai Base Phase II that focuses on computing application PCBs. In particular:

- approximately 5.2% of the net proceeds, or HK$164.9 million (equivalent to approximately RMB145.7 million), will be used for the purchase and installation of approximately 55 power and environmental protection equipment, including for example, the power distribution and supply systems, HVAC systems, waste gas treatment systems, air compression systems, wastewater treatment facilities, central dust collection systems and other supporting systems, thereby facilitating stable power delivery, environmental control and compliance with environmental standards;

- approximately 4.5% of the net proceeds, or HK$143.2 million (equivalent to approximately RMB126.5 million), will be used for the purchase and installation of approximately 49 image transfer equipment, which will mainly be used in inner layer and outer layer circuit manufacturing, hole drilling and solder mask and surface finish application steps. Key image transfer equipment we plan to acquire include laser direct imaging machines, laser coding machines and dry film laminating machines, which are critical for precisely transferring detailed circuit patterns onto PCB substrates, enhancing production accuracy and reducing defect rates;

- approximately 4.6% of the net proceeds, or HK$147.4 million (equivalent to approximately RMB130.2 million), will be used for the purchase and installation of approximately 157 drilling and milling equipment, which will mainly be used in hole drilling and back drilling steps. Key drilling and milling equipment include CNC drilling machines, routing machines and punching machines, which are essential for high-precision drilling of micro vias, routing and shaping PCB substrates, thereby facilitating the structural integrity and dimensional accuracy of our PCBs; and

- approximately 5.4% of the net proceeds, or HK$170.3 million (equivalent to approximately RMB150.4 million), will be used for the purchase and installation of approximately 121 inspection and quality control equipment, such as automatic electroplating lines, etching lines, automated optical inspection ("**AOI**") systems and impedance testers, which will mainly be used thorough the manufacturing process. These will enhance our capabilities in plating, etching, cleaning and comprehensive quality inspection, which significantly improve circuit integrity, dimensional consistency, and final quality assurance for volume production.

Approximately 52.1% of the net proceeds, or HK$1,655.1 million (equivalent to approximately RMB1,461.9 million), is expected to be used to expand and upgrade our production facilities in Guangzhou base, in particular production capacity for HDI PCBs. We plan to continue to invest in building flexible and energy-efficient manufacturing facilities, featuring refined operational management, standardized production processes, advanced automation equipment and integrated digital systems for real-time quality control and production optimization. In particular:

- approximately 11.8% of the net proceeds, or HK$375.3 million (equivalent to approximately RMB331.5 million), will be used for the purchase and installation of approximately 166 environmental protection equipment, including the comprehensive high-low voltage power distribution systems, centralized air conditioning, automated exhaust gas treatment facilities with respect to acidic, alkaline and organic gases, air compressor systems and heat recovery boilers, which are crucial for sustainable productions;

- approximately 11.5% of the net proceeds, or HK$364.7 million (equivalent to approximately RMB322.2 million), will be used for the purchase and installation of approximately 793 image transfer equipment, which mainly include inner-layer direct imaging systems, automatic exposure machines, dry film coating and UV curing ovens, which facilitate precision enhancement for inner-layer circuits;

- approximately 13.9% of the net proceeds, or HK$442.6 million (equivalent to approximately RMB391.0 million), will be used for the purchase and installation of approximately 332 drilling and milling equipment, featuring automated base material cutting lines, automatic PCB dividing machines, and comprehensive milling, punching and routing equipment, thereby ensuring dimension accuracy; and

- approximately 14.9% of the net proceeds, or HK$472.5 million (equivalent to approximately RMB417.3 million), will be used for the purchase and installation of approximately 176 wet processing and associated inspection equipment, such as fully automated plating, etching, developing, cleaning lines, AOI inspection systems, online chemical analysis equipment and atomic absorption spectrometers, which will mainly be used to maintain high product standards and consistency during the manufacturing process.

Approximately 10.0% of the net proceeds, or HK$317.5 million (equivalent to approximately RMB280.5 million), is expected to be used for enhancing our R&D capabilities in developing material technologies, refining manufacturing processes and product development. Specifically, we plan to (i) develop and optimize advanced PCB materials and innovative processing techniques to maintain our edge in high density and high performance PCB market, (ii) continue our research in emerging PCB technologies and products tailored for growth markets such as AI computing, automative electronics and communication equipment, and (iii) expand our R&D capabilities by recruiting talents in materials sciences, process engineering, innovative PCB designs, and quality control to further enhance our technological accumulations.We plan to allocate approximately HK$148.6 million (equivalent to approximately RMB131.3 million) to strengthen our R&D capabilities, including the purchase of machinery, equipment and raw materials for key R&D activities such as material development, process optimisation and new product design. In addition, we intend to use approximately HK$137.2 million (equivalent to approximately RMB121.2 million) for the compensation of R&D personnel. We prioritize candidates with experience in material technology development, process improvement and product innovation, which are critical to enhancing our R&D capabilities; and

Approximately 8.2% of the net proceeds, or HK$259.3 million (equivalent to approximately RMB229.1 million), is expected to be used to pursue strategic partnerships, investments or acquisitions which are complementary to our business and in line with our strategies. Our target investments or acquisitions will primarily focus on PCB manufacturers and companies operating in the upstream and downstream segments of the PCB industry chain, within and outside China. Specifically, this includes but is not limited to upstream raw material suppliers, PCB manufacturers with advanced production technologies or rich downstream customer resources, as well as high-quality enterprises possessing key technologies or effectively complementing our existing capacity layout.

In particular, when selecting target companies, we will place particular emphasis on the following criteria:

- The target company should have a solid reputation and stable market position within the industry, with a mature, sustainable business model and demonstrated profitability. In evaluating this criterion, we consider factors such as market acceptance of its major products or services, stability of its core customer base, relevant technology or qualification certifications, capacity utilization and historical operating performance.

- The target company's core business should exhibit synergy with our existing operations, including but not limited to upstream and downstream business integration, technology sharing, and customer resource expansion, thereby further strengthening our competitive position in the PCB industry chain. In particular, we assess whether the target company could (a) strengthen raw material supply stability and procurement efficiencies, (b) upgrade and strengthen our existing process capabilities and improve yield and production efficiency, (c) achieve customer resource complementarity, expand downstream application areas, and (d) complement capacity and regional coverage.

- The target company should generally have annual revenue of no less than US$100 million in its most recent fiscal year to ensure sufficient business scale and market influence capable of supporting our further business expansion. In addition, factors such as growth potential, and capital expenditure needs may also be considered in assessing whether the target company's development pace is aligned with our overall strategy.

- The target company should maintain a healthy financial position with strong cash flow performance.

- The target company should have a management team with relevant industry experience and professional skills to ensure continuity and operational efficiency post-investment or acquisition; and

- The target company should have effective risk control and internal management systems to ensure compliance with regulatory requirements and to mitigate potential compliance risks during business integration.

Through the aforementioned criteria, we intend to selectively invest in or acquire potential target companies that demonstrate strategic synergies with our business. 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.

Approximately 10.0% of the net proceeds, or HK$317.5 million (equivalent to approximately RMB280.5 million), is expected to be used for working capital and general corporate uses.

The details of our implementation timeframe of the use of proceeds are set out below:

	2026	2027	Total	% of net proceeds
	RMB'000	*RMB'000*	*RMB'000*	*(%)*
Thai Base Phase II	552,792	–	552,792	19.7
Expand and upgrade our production facilities in Guangzhou base	1,166,739	295,190	1,461,929	52.1
Enhance our R&D capabilities	280,473	–	280,473	10.0
Pursue strategic partnerships, investments or acquisitions	229,064	–	229,064	8.2
Working capital and general corporate uses	280,473	–	280,473	10.0
Total	**2,509,541**	**295,190**	**2,804,731**	**100.0**

If any part of our development plan does not proceed as planned for reasons such as changes in government policies that would render the development of any of our projects not viable, or the occurrence of force majeure events, we will carefully evaluate the situation and may reallocate the net proceeds from the Global Offering.

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 net proceeds into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or the applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.

HONG KONG UNDERWRITERS

CLSA Limited

The Hongkong and Shanghai Banking Corporation Limited

GF Securities (Hong Kong) Brokerage Limited

Huatai Financial Holdings (Hong Kong) Limited

(GF Securities (Hong Kong) Brokerage Limited and Huatai Financial Holdings (Hong Kong) Limited are listed in alphabetical order)

Guolian Securities International Capital Co., Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

Subject to (a) the Listing Committee granting approval for the listing of, and permission to deal in, the H Shares to be issued pursuant to the Global Offering on the Main Board of the Stock Exchange, and such approval and permission not subsequently having been withdrawn or revoked prior to the commencement of dealings in the H Shares on the Stock Exchange and (b) certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have agreed severally but not jointly to procure subscribers for, or themselves to subscribe for, their respective applicable proportions of the Hong Kong Offer Shares being offered which are not taken up under the Hong Kong Public Offering on the terms and conditions set out in this Prospectus and the Hong Kong Underwriting Agreement.

The Hong Kong Underwriting Agreement is conditional on, among other things, the International Underwriting Agreement having been executed and becoming unconditional and not having been terminated in accordance with its terms.

Grounds for Termination

The obligations of the Hong Kong Underwriters to subscribe or procure subscribers for the Hong Kong Offer Shares under the Hong Kong Underwriting Agreement are subject to termination. If at any time prior to 8:00 a.m. on the day that trading in the H Shares commences on the Stock Exchange:

(a) there develops, occurs, exists or comes into force:

   (i) any new law or regulation or any change or development involving a prospective change or any event or series of events or circumstances likely to result in a change or a development involving a prospective change in existing laws or regulations, or the interpretation or application thereof by any court or any competent Authority in or affecting Hong Kong, the PRC, Taiwan, 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

(ii) 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 currency exchange rate or controls or any monetary or trading settlement system, or foreign investment regulations (including, without limitation, a devaluation of the Hong Kong dollar, United States dollar or Renminbi against any foreign currencies, a change in the system under which the value of the Hong Kong dollar is linked to that of the United States dollar or the Renminbi is linked to any foreign currency or currencies) or other financial markets (including, without limitation, conditions and sentiments in stock and bond markets, money and foreign exchange markets, the inter-bank markets and credit markets) in or affecting any Relevant Jurisdictions, or affecting an investment in the Offer Shares; or

(iii) any event or series of events, or circumstances in the nature of force majeure (including, without limitation, any acts of government, declaration of a regional, national or international emergency or war, calamity, crisis, economic sanctions, strikes, labor disputes, other industrial actions, lock-outs, fire, explosion, flooding, tsunami, earthquake, volcanic eruption, civil commotion, riots, rebellion, public disorder, paralysis in government operations, acts of war, epidemic, pandemic, outbreak or escalation, mutation or aggravation of diseases, accident or interruption or delay in transportation, local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared), act of God or act of terrorism (whether or not responsibility has been claimed)) in or affecting any of the Relevant Jurisdictions; or

(iv) the imposition or declaration of any moratorium, suspension or limitation (including without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) on (i) the trading in shares or securities generally on the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the Tokyo Stock Exchange, the Singapore Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market or the London Stock Exchange; or (ii) the trading in any securities of our Company listed or quoted on a stock exchange or an over-the-counter market; or

(v) the imposition or declaration of any general moratorium on banking activities in or affecting any of the Relevant Jurisdictions or any disruption in commercial banking or foreign exchange trading or securities settlement or clearing services, procedures or matters in or affecting any of the Relevant Jurisdictions; or

(vi) the issue or requirement to issue by our Company of a supplement or amendment to this Prospectus or other documents in connection with the offer and sale of the Offer Shares pursuant to the Companies (Winding Up and Miscellaneous Provisions) Ordinance or the Listing Rules or upon any requirement or request of the Stock Exchange and/or the SFC; or

(vii) the imposition of sanctions or export controls in whatever form, directly or indirectly, on any Group Company or any Controlling Shareholder or by or on any Relevant Jurisdiction, or the withdrawal of trading privileges which existed on the date of the Hong Kong Underwriting Agreement, in whatever form, directly or indirectly, by, or for, any Relevant Jurisdiction; or

(viii) 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

(ix) any non-compliance of this Prospectus (or any other documents used in connection with the contemplated offering, allotment, issue, subscription or sale of any of the Offer Shares), the CSRC filings or any aspect of the Global Offering with the Listing Rules or any other applicable laws; or

(x) 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 Controlling Shareholder or any Director or senior management members as named in this Prospectus; or

(xi) any contravention by any Group Company or any Director or any member of the senior management of our Company as named in this Prospectus of the Listing Rules or applicable laws; or

(xii) any independent non-executive Director or any member of senior management of our Company named in this Prospectus seeks to retire, or is removed from office or vacating his/her office; or

(xiii) any non-executive Director, any independent non-executive Director or any member of senior management of our Company named in this Prospectus is being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management or taking directorship of a company; or

(xiv) an order or petition is presented for the winding-up or liquidation of any member of the Group (other than our Company), or any member of the Group (other than our Company) 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 (other than our Company) or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of the Group (other than our Company) or anything analogous thereto occurs in respect of any member of the Group (other than our Company); or

(xv) any change or prospective change, or a materialization of, any of the risks set out in the section headed "Risk Factors" in this Prospectus,

which, in any such case individually or in the aggregate, in the sole and absolute opinion of the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Overall Coordinators and the Hong Kong Underwriters):

(1) has or will or may have a material adverse change or a material adverse effect or any development involving a prospective material adverse change or a prospective material adverse effect, whether directly or indirectly, on or affecting the profits, losses, results of operations, assets, liabilities, general affairs, business, management, performance, prospects, shareholders' equity, position or condition (financial, trading or otherwise) of the Group, taken as a whole, or which could adversely affect the ability of our Company to perform its obligations under the Hong Kong Underwriting Agreement, the International Underwriting Agreement, the price determination agreement, the receiving bank agreement, the registrar's agreement, the cornerstone investment agreements or the FINI agreement or which is material in the context of the Global Offering;

(2) 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

(3) makes or will make or may make it impracticable, inadvisable, inexpedient or incapable for any material part of the Hong Kong Underwriting Agreement, the Hong Kong Public Offering or the Global Offering to be performed or implemented as envisaged, or for the Hong Kong Public Offering and/or the Global Offering to proceed, or to market the Global Offering or the delivery or distribution of the Offer Shares on the terms and in the manner contemplated by any of this Prospectus, the formal notice, the post hearing information pack, the disclosure package as defined in the International Underwriting Agreement, the preliminary offering circular, the offering circular and any other announcement, document, materials, communications or information made, issued, given, released, arising out of or used in connection with or in relation to the contemplated offering and sale of the Offer Shares or otherwise in connection with the Global Offering, including, without limitation, any investor presentation materials relating to the Offer Shares and, in each case, all amendments or supplements thereto, whether or not approved by the Joint Sponsors, the Sponsor-Overall Coordinators or any of the Underwriters (collectively, the "**Offering Documents**");

(4) has or will or may have the effect of making any material part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or preventing the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or

(b) there has come to the notice of the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Overall Coordinators and the Hong Kong Underwriters) that:

(i) any statement contained in any of the Offering Documents, the CSRC filings and/or any written notices, announcements, advertisements, communications or other documents issued or used by, for or on behalf of our Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto) (the "**Global Offering Documents**") was, when it was issued, or has become untrue, incorrect, inaccurate in any material respect or misleading; or that any estimate, forecast, expression of opinion, intention or expectation contained in any such documents, was, when it was issued, or has become unfair or misleading in any respect or based on untrue, dishonest or unreasonable assumptions or given in bad faith; or

(ii) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this Prospectus, constitute a material omission or misstatement in any Global Offering Document; or

(iii) any breach of, or any event or circumstance rendering untrue or incorrect or misleading in any respect, any of the representations, warranties and undertakings given by our Company in the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or

(iv) any event, act or omission which gives rise or is likely to give rise to any liability of the indemnifying party pursuant to the indemnities in the Hong Kong Underwriting Agreement; or

(v) any breach of any of the obligations or undertakings imposed upon our Company or any cornerstone investor (as applicable) to the Hong Kong Underwriting Agreement, the International Underwriting Agreement or the Cornerstone Investment Agreements; or

(vi) there is any change or development involving a prospective change, constituting or having a material adverse effect; or

(vii) the chairman of the Board or any Director (other than independent non-executive Directors) seeks to retire, or is removed from office or vacating his/her office; or

(viii) any executive Director as identified in this Prospectus is being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management or taking directorship of a company; or

(ix) our Company withdraws this Prospectus (and/or any other documents used in connection with the subscription or sale of any of the Offer Shares pursuant to the Global Offering) or the Global Offering; or

(x) the approval by the Listing Committee of the listing of, and permission to deal in, the H Shares in issue and to be issued pursuant to the Global Offering is refused or not granted, other than subject to customary conditions, on or before the Listing Date, or if granted, the approval is subsequently withdrawn, cancelled, qualified (other than by customary conditions), revoked or withheld; or

(xi) any person (other than the Joint Sponsors) has withdrawn its consent to the issue of this Prospectus with the inclusion of its reports, letters and/or legal opinions (as the case may be) and references to its name included in the form and context in which it respectively appears; or

(xii) any prohibition on our Company for whatever reason from offering, allotting, issuing or selling any of the Offer Shares pursuant to the terms of the Global Offering; or

(xiii) any person (other than the Joint Sponsors and the Sponsor-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

(xiv) an order or petition is presented for the winding-up or liquidation of the Company, or the Company 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 the Company or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of the Company or anything analogous thereto occurs in respect of the Company; or

(xv) (A) the notice of acceptance of the CSRC filings issued by the CSRC and/or the results of the CSRC filings published on the website of the CSRC is rejected, withdrawn, revoked or invalidated; or (B) other than with the prior written consent of the Sponsor-Overall Coordinators, the issue or requirement to issue by our 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

(xvi) that (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, have been withdrawn, terminated or cancelled, as a result of the payment of the relevant investment amount not being received or settled in the stipulated time and manner or otherwise,

then, in each case, the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Overall Coordinators and the Hong Kong Underwriters) may, in their sole and absolute discretion and upon giving notice in writing to our Company, terminate the Hong Kong Underwriting Agreement with immediate effect.

Undertakings to the Stock Exchange Pursuant to the Listing Rules

Undertakings by our Company

Pursuant to Rule 10.08 of the Listing Rules, our Company has undertaken to the Stock Exchange that it will not issue any further Shares, or securities convertible into equity securities of our Company (whether or not of a class already listed) or enter into any agreement to such an issue within six months from the Listing Date (whether or not such issue of Shares or securities will be completed within six months from the Listing Date), except (a) pursuant to the Global Offering or (b) under any of the circumstances provided under Rule 10.08 of the Listing Rules.

Undertakings by the Controlling Shareholders

Pursuant to Rule 10.07 of the Listing Rules, each Controlling Shareholder has irrevocably and unconditionally undertaken to us and to the Stock Exchange that he, she or it shall not and shall procure that the relevant registered holder(s) controlled by he, she or it shall not, either directly or indirectly:

(a) in the period commencing on the date by reference to which disclosure of its shareholdings in our Company is made in this Prospectus and ending on the date which is 6 months from the Listing Date, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of our securities that it is shown to beneficially own in this Prospectus (the "**Relevant Shares**"); or

(b) in the period of a further 6 months commencing on the date on which the period referred to in paragraph (a) above expires, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Relevant Shares if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, he, she or it will cease to be a controlling shareholder (as defined in the Listing Rules) of our Company or a Controlling Shareholder of our Company or would together with the other Controlling Shareholders cease to be controlling shareholders (as defined in the Listing Rules).

Each of the Controlling Shareholders has further irrevocably and unconditionally undertaken to us and the Stock Exchange that, within the period commencing on the date by reference to which disclosure of its/his/her shareholdings in our Company is made in this Prospectus and ending on the date which is 12 months from the Listing Date, he/she/it will and will procure that the relevant registered holder(s) will:

(a) when he, she or it pledges or charges any securities in our Company beneficially owned by it/him/her in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) for a bona fide commercial loan pursuant to Note (2) to Rule 10.07(2) of the Listing Rules, immediately inform us in writing of such pledge or charge together with the number of our securities so pledged or charged; and

(b) when he, she or it receives indications, either verbal or written, from the pledgee or chargee that any of our pledged or charged securities beneficially owned by it will be disposed of, immediately inform us in writing of such indications.

We will also inform the Stock Exchange as soon as we have been informed of the matters mentioned in the paragraphs (a) and (b) above by any of the Controlling Shareholders and subject to the then requirements of the Listing Rules disclose such matters by way of an announcement which is published in accordance with Rule 2.07C of the Listing Rules as soon as possible.

Undertakings Pursuant to the Hong Kong Underwriting Agreement

Undertakings by Our Company in Respect of Our Company

Pursuant to the Hong Kong Underwriting Agreement, our Company has undertaken to each of the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries that, except pursuant to the Global Offering, at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling six months after the Listing Date (the "**First Six Month Period**"), our Company will not, without the prior written consent of the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Overall Coordinators and 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 equity securities of our Company or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, the share capital or other equity securities of our Company, as applicable), or deposit the share capital or other equity securities of our Company, as applicable, with a depositary in connection with the issue of depositary receipts;

(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 H Shares or any other equity securities of our Company, or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any H Shares);

(c) enter into any transaction with the same economic effect as any of the transactions 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) above or announce any intention to do so,

in each case, whether any of the foregoing transactions is to be settled by delivery of the share capital or such other securities, in cash or otherwise (whether or not the issue of such share capital or other securities will be completed within the First Six-Month Period).

Our Company further agrees that, in the event that our Company is allowed to enter into any of the transactions specified 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**"), our Company 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.

Our Company has undertaken to each of the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries that (i) it will comply with the minimum public float requirements specified in the Listing Rules (the "**Minimum Public Float Requirement**") and it will not effect any purchase of the H Shares, or agree to do so, which may reduce the holdings of the H Shares held by the public (as defined in Rule 8.24 of the Listing Rules) to below the Minimum Public Float Requirement or any waiver granted and not revoked by the Stock Exchange prior to the expiration of the Second Six Month Period without first having obtained the prior written consent of the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Overall Coordinators and the Hong Kong Underwriters), and (ii) it will not enter into any agreement, arrangement or transaction which shall cause or have the effect of causing the portion of the H Shares that are held by the public and that are available for trading and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable Laws or otherwise) on the Listing Date to fall below the prescribed level under 19A.13C of the Listing Rules.

Hong Kong Underwriters' Interests in Our Company

Save for their respective obligations under the Hong Kong Underwriting Agreement, as of the Latest Practicable Date, save as disclosed in the section headed "Appendix VI Statutory and General Information — E. Other Information" in this Prospectus, none of the Hong Kong Underwriters was interested, legally or beneficially, directly or indirectly, in any Shares or any securities of any member of our Group or had any right or option (whether legally enforceable or not) to subscribe for or purchase, or to nominate persons to subscribe for or purchase, any Shares or any securities of 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.

International Offering

International Underwriting Agreement

In connection with the International Offering, it is expected that our Company will enter into the International Underwriting Agreement with, among others, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the International Underwriters and the Capital Market Intermediaries on or about the Price Determination Date. Under the International Underwriting Agreement, the International Underwriters would, subject to certain conditions set out therein, agree severally but not jointly to procure subscribers for, or themselves to subscribe for, their respective applicable proportions of the International Offer Shares being offered under the International Offering.

It is expected that the International Underwriting Agreement may be terminated on similar grounds as the Hong Kong Underwriting Agreement. Potential investors should note that in the event that the International Underwriting Agreement is not entered into or is terminated, the Global Offering will not proceed. See "Structure of the Global Offering — The International Offering."

Commissions and Expenses

The Underwriters and the Capital Market Intermediaries will receive an underwriting commission of 2.0% of the aggregate Offer Price of all the Offer Shares (the "**Fixed Fees**"). Our Company may, at its discretion, pay to one or more Underwriter(s) and Capital Market Intermediary(ies) an additional discretionary fee of up to 0.9% of the aggregate Offer Price of all the Offer Shares (the "**Discretionary Fees**"). As of the date of this Prospectus, the allocation of a portion of the Fixed Fees remains subject to our Company's discretion. For the purposes of the Listing Rules, any unallocated portion of the Fixed Fees will be tentatively regarded as discretionary fee. Assuming the Discretionary Fees are paid in full, the ratio of the fixed fees and the discretionary fees will be approximately 44.13%:55.87%.

The aggregate underwriting commissions and fees payable to the Underwriters and the Capital Market Intermediaries, together with the Stock Exchange listing fees, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee, legal and other professional fees and printing and other expenses payable by our Company in relation to the Global Offering are estimated to be approximately HK$131.1 million (based on the maximum Offer Price of HK$71.88), the full payment of the Discretionary Fees).

Indemnity

Each of our Company has agreed to indemnify the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters, the Capital Market Intermediaries and each of them for certain losses which they may suffer or incur, including losses arising from the performance of their obligations under the Hong Kong Underwriting Agreement or any breach by any of our Company and the Controlling Shareholder of the Hong Kong Underwriting Agreement.

ACTIVITIES BY SYNDICATE MEMBERS

The underwriters of the Hong Kong Public Offering and the International Offering (together, the "**Syndicate Members**") and their affiliates may each individually undertake a variety of activities (as further described below) which do not form part of the underwriting or stabilizing process.

The Syndicate Members and their affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, 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 Group and/or persons and entities with relationships with our Group and may also include swaps and other financial instruments entered into for hedging purposes in connection with our Group's loans and other debts.

In relation to the H Shares, the activities of the Syndicate Members and their affiliates could include acting as agent for buyers and sellers of the H Shares, entering into transactions with those buyers and sellers in a principal capacity, including as a lender to initial purchasers of the H Shares (which financing may be secured by the H Shares) in the Global Offering, proprietary trading in the H Shares, and entering into over the counter or listed derivative transactions or listed or unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have as their underlying assets, assets including the H Shares. Such transactions may be carried out as bilateral agreements or trades with selected counterparties. Those activities may require hedging activity by those entities involving, directly or indirectly, the buying and selling of the H Shares, which may have a negative impact on the trading price of the H Shares. All such activities could occur in Hong Kong and elsewhere in the world and may result in the Syndicate Members and their affiliates holding long and/or short positions in the H Shares, in baskets of securities or indices including the H Shares, in units of funds that may purchase the H Shares, or in derivatives related to any of the foregoing.

In relation to issues by the Syndicate Members or their affiliates of any listed securities having the H Shares as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the rules of the stock exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in the H Shares in most cases.

No stabilizing manager will be appointed, and it is anticipated that no stabilization activities will be carried out in relation to the Global Offering.

Such activities may affect the market price or value of the H Shares, the liquidity or trading volume in the H Shares and the volatility of the price of the H Shares, and the extent to which this occurs from day to day cannot be estimated.

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 Group 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.

INDEPENDENCE OF THE JOINT SPONSORS

As of the Latest Practicable Date, the Joint Sponsors satisfy the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules.

THE GLOBAL OFFERING

The listing of the H Shares on the Stock Exchange is sponsored by the Joint Sponsors. The Joint Sponsors have made an application on behalf of our Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the H Shares to be issued as mentioned in this Prospectus. CLSA Limited and The Hongkong and Shanghai Banking Corporation Limited are the Overall Coordinators of the Global Offering.

46,000,000 Offer Shares will initially be made available under the Global Offering comprising:

(a) the Hong Kong Public Offering of initially 4,600,000 H Shares (subject to reallocation) in Hong Kong as described in "— The Hong Kong Public Offering" below; and

(b) the International Offering of initially 41,400,000 H Shares (subject to reallocation) outside the United States (including to professional and institutional investors within Hong Kong) in offshore transactions in reliance on Regulation S as described in "— The International Offering" below.

Investors may either: (i) apply for Hong Kong Offer Shares under the Hong Kong Public Offering; or (ii) apply for or indicate an interest for International Offer Shares under the International Offering, but may not do both.

The Offer Shares will represent approximately 9.74% of the total Shares in issue immediately following the completion of the Global Offering.

References in this Prospectus to applications, application monies or the procedures for applications relate solely to the Hong Kong Public Offering.

HONG KONG PUBLIC OFFERING

Number of Offer Shares Initially Offered

Our Company is initially offering 4,600,000 H Shares (subject to reallocation) for subscription by the public in Hong Kong at the Offer Price, representing 10% of the Offer Shares initially available under the Global Offering.

The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to professional and institutional investors. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities that regularly invest in shares and other securities.

Completion of the Hong Kong Public Offering is subject to the conditions set out in "— Conditions of the Global Offering" below.

Allocation

Allocation of Offer Shares to investors under the Hong Kong Public Offering will be based solely on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary, depending on the number of Hong Kong Offer Shares validly applied for by applicants. Such allocation could, where appropriate, consist of balloting, which could mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares, and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

For allocation purposes only, the total number of Hong Kong Offer Shares available under the Hong Kong Public Offering (after taking into account any reallocation referred to below) will be divided equally (to the nearest board lot) into two pools (with any odd lots being allocated to pool A): pool A and pool B. The Hong Kong Offer Shares in pool A will be allocated on an equitable basis to valid applicants who have applied for Hong Kong Offer Shares with an aggregate subscription price of HK$5 million (excluding brokerage, SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee payable) or less. The Hong Kong Offer Shares in pool B will be allocated on an equitable basis to valid applicants who have applied for Hong Kong Offer Shares with an aggregate subscription price of more than HK$5 million (excluding brokerage, SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee payable) and up to the total value in pool B.

Investors should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If any Hong Kong Offer Shares in one (but not both) of the pools are unsubscribed, such unsubscribed Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly. For the purpose of the immediately preceding paragraph only, the "price" for Hong Kong Offer Shares means the price payable on application therefor (without regard to the Offer Price as finally determined). Applicants can only receive an allocation of Hong Kong Offer Shares from either pool A or pool B and not from both pools. Multiple or suspected multiple applications under the Hong Kong Public Offering and any application for more than 2,300,000 Hong Kong Offer Shares (being 50% of the 4,600,000 Hong Kong Offer Shares initially comprised in the Hong Kong Public Offering) is liable to be rejected.

Reallocation

The Offer Shares to be offered under 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 Offer Shares are 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 it deems 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 2,300,000 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 6,900,000 Offer Shares, representing 15% of the number of Offer Shares initially available under the Global Offering 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. Where both the International Offer Shares and the Hong Kong Offer Shares are undersubscribed, the Global Offering will not proceed and will lapse, unless the shortfall is taken up by the Underwriters.

Given the initial allocation of the Offer Shares to the Hong Kong Public Offering and the International Offering follows 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 Thursday, March 19, 2026.

Applications

Each applicant under the Hong Kong Public Offering will be required to give an undertaking and confirmation in the application submitted by him/her/it that he/she/it and any person(s) for whose benefit he/she/it is making the application has not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any International Offer Shares under the International Offering. Such applicant's application under International Offering is liable to be rejected if such undertaking and/or confirmation is/are breached and/or untrue (as the case may be).

Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channels), the maximum Offer Price of HK$71.88 per H Share plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and the Stock Exchange trading fee of 0.00565%, amounting to a total of HK$7,260.49 for one board lot of 100 H Shares. If the Offer Price, as finally determined in the manner described in "— Pricing and Allocation" below, is less than the maximum Offer Price of HK$71.88 H Share, appropriate refund payments (including brokerage, SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee attributable to the surplus application monies) will be made to the relevant successful applicants (subject to application channels), without interest. Further details are set out in "How to Apply for Hong Kong Offer Shares."

THE INTERNATIONAL OFFERING

Number of Offer Shares Initially Offered

Subject to reallocation, the International Offering will consist of an offering of initially 41,400,000 H Shares, representing 90% of the Offer Shares initially available under the Global Offering.

Allocation

The International Offering will include selective marketing of Offer Shares to professional and institutional investors and other investors anticipated to have a sizeable demand for such Offer Shares in Hong Kong and other jurisdictions outside the United States in reliance on Regulation S. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities that regularly invest in shares and other securities. Allocation of Offer Shares pursuant to the International Offering will be effected in accordance with the "book-building" process described in "— Pricing and Allocation" below and based on a number of factors, including the level and timing of demand, the total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further H Shares and/or hold or sell its H Shares after the Listing. Such allocation is intended to result in a distribution of the H Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of our Group 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 them to identify the relevant applications under the Hong Kong Public Offering and to ensure that they are excluded from any allocation of Offer Shares under the International Offering.

Reallocation

The total number of Offer Shares to be issued or sold pursuant to the International Offering may change as a result of reallocation as described in "— The Hong Kong Public Offering — Reallocation" above.

PRICING AND ALLOCATION

Pricing for the Offer Shares for the purpose of the various offerings under the Global Offering will be fixed on the Price Determination Date, which is expected to be on or about Wednesday, March 18, 2026, by agreement between the (for Sponsor-Overall Coordinators (for themselves and on behalf of the Overall Coordinators and the Underwriters)) and our Company, and the number of Offer Shares to be allocated under the various offerings will be determined shortly thereafter.

The Offer Price will not be more than HK$71.88 per H Share, unless otherwise announced by our Company no later than the morning of the last day for lodging applications under the Hong Kong Public Offering, as further explained below.

Determining the Offer Price

The International Underwriters will be soliciting from prospective investors indications of interest in acquiring Offer Shares in the International Offering. Prospective professional and institutional investors will be required to specify the number of Offer Shares under the International Offering they would be prepared to acquire either at different prices or at a particular price. This process, known as "book-building," is expected to continue up to, and to cease on or about, the last day for lodging applications under the Hong Kong Public Offering.

The Offer Price is expected to be fixed by agreement between the Sponsor-Overall Coordinators (on behalf of the Overall Coordinators and the Underwriters) and us, 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 Wednesday, March 18, 2026 (Hong Kong time) and, in any event, not later than 12:00 noon on Wednesday, March 18, 2026 (Hong Kong time).

We will determine the Offer Price by reference to, among other factors, the closing price of the A Shares on the Shenzhen Stock Exchange on the last trading day on or before the Price Determination Date (which is accessible to the Shareholders and potential investors at https://www.szse.cn/English/siteMarketData/siteMarketDatas/lookup/index.html?code=300450), and the Offer Price will not be more than HK$71.88. The historical prices of our A Shares and trading volume on Shenzhen Stock Exchange are set out below.

Period	**High**	**Low**	**ADTV[(1)]**
	(RMB)	*(RMB)*	*('000 A Shares)*
Year ended December 31, 2024 . . .	58.11	32.45	5,334.90
Year ended December 31, 2025 . . .	88.49	37.47	7,369.90
Year of 2026 (up to the Latest Practicable Date)	120.80	77.81	10,119.00

Note:

1. Average daily trading volume ("**ADTV**") represents daily average number of our A Shares traded over the relevant period.
2. The Company's A Shares have been listed on the main board of the Shenzhen Stock Exchange (stock code: 001389) since April 2, 2024.

The final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering, the basis of allocations of the Hong Kong Offer Shares and the results of allocations in the Hong Kong Public Offering are expected to be made available through a variety of channels in the manner described in "How to Apply for Hong Kong Offer Shares — B. Publication of Results."

The Sponsor-Overall Coordinators (for themselves and on behalf of the Overall Coordinators and the Underwriters) may, where they deem appropriate, based on the level of interest expressed by prospective investors during the book-building process, and with the consent of our Company, reduce the number of Offer Shares and/or the maximum Offer Price below that stated in this Prospectus at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such case, our Company will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for lodging applications under the Hong Kong Public Offering, cause to be published on the website of the Stock Exchange at **www.hkexnews.hk** and our website at **www.delton.com.cn** notices of such reduction, the cancelation of the Global Offering and the relaunch of the offering at the revised number of Offer Shares and/or Offer Price. Our Company will also, as soon as practicable following the decision to make such reduction, issue a supplemental or new Prospectus updating investors of the reduction in the number of Offer Shares and/or the 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: updated (a) 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. In the event of a reduction in the number of Offer Shares, the Overall Coordinators may also at their discretion reallocate the number of Offer Shares to be offered under the Hong Kong Public Offering and the International Offering, provided that the number of Offer Shares offered under the Hong Kong Public Offering shall not be less than 10% of the Offer Shares available under the Global Offering. In the absence of any such supplemental or new Prospectus so published, the number of Offer Shares and/or the Offer Price will not be reduced.

If there is any change to the offer size due to change in the number of Offer Shares initially offered under the Global Offering (other than the reallocation mechanism as disclosed in this Prospectus), or change to the maximum Offer Price as stated in this Prospectus, or if our Company becomes aware that there has been a significant change affecting any matter contained in this Prospectus or a significant new matter has arisen, the inclusion of information in respect of which would have been required to be in this Prospectus if it had arisen before this Prospectus was issued, after the issue of this Prospectus and before the commencement of dealings in our H Shares as prescribed under Rule 11.13 of the Listing Rules, we are required to cancel the Global Offering and relaunch the offering and issue a supplemental or new Prospectus.

The final Offer Price, the level of applications in the Hong Kong Public Offering, the level of indications of interest in the International Offering and the basis of allocation of the Hong Kong Offer Shares are expected to be announced on Thursday, March 19, 2026 on the website of the Stock Exchange at **www.hkexnews.hk** and our website at **www.delton.com.cn**.

CONDITIONS OF THE GLOBAL OFFERING

Acceptance of all applications for Offer Shares will be conditional on:

(a) the Listing Committee granting approval for the listing of, and permission to deal in, the H Shares to be issued pursuant to the Global Offering on the Main Board of the Stock Exchange, and such approval and permission not subsequently having been withdrawn or revoked prior to the commencement of dealings in the H Shares on the Stock Exchange;

(b) the Offer Price having been agreed between the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company;

(c) the execution and delivery of the International Underwriting Agreement on or about the Price Determination Date; and

(d) the obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement and the obligations of the International Underwriters under the International Underwriting Agreement becoming and remaining unconditional and not having been terminated in accordance with the terms of the respective agreements, in each case on or before the dates and times specified in the respective Underwriting Agreements (unless and to the extent such conditions are validly waived on or before such dates and times) and, in any event, not later than the date which is 30 days after the date of this Prospectus.

If, for any reason, the Offer Price is not agreed between the Sponsor-Overall Coordinators (for themselves and on behalf of other Overall Coordinators and the Underwriters) and our Company by 12:00 noon on Wednesday, March 18, 2026, the Global Offering will not proceed and will lapse.

The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon, among other things, the other offering becoming unconditional and not having been terminated in accordance with its terms.

If the above conditions are not fulfilled or waived prior to the dates and times specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Hong Kong Public Offering will be published on the website of the Stock Exchange at **www.hkexnews.hk** and our website at **www.delton.com.cn** on the next day following such lapse. In such a situation, all application monies will be returned, without interest, on the terms set out in "How to Apply for Hong Kong Offer Shares — D. Dispatch/Collection of H Share Certificates and Refund of Application Monies." In the meantime, all application monies will be held in separate bank account(s) with the receiving bank or other bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

The H Share certificates for the Offer Shares will only become valid evidence of title at 8:00 a.m. on the Listing Date, which is expected to be Friday, March 20, 2026 (Hong Kong time), provided that the Global Offering has become unconditional in all respects and the right of termination described in "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination" has not been exercised. Investors who trade H Shares prior to the receipt of H Share certificates or prior to the H Share certificates becoming valid evidence of title do so entirely at their own risk.

DEALINGS IN THE H SHARES

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Friday, March 20, 2026, it is expected that dealings in the H Shares on the Stock Exchange will commence at 9:00 a.m. on Friday, March 20, 2026.

The H Shares will be traded in board lots of 100 H Shares each and the stock code of the H Shares will be 1989.

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 "HKEXnews > New Listings > New Listing Information" and our website at **www.delton.com.cn**.

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:

- are 18 years of age or older;
- have a Hong Kong address *(for the **HK eIPO White Form** service only)*; and
- are outside the United States, and are not a United States Person (as defined in Regulation S under the U.S. Securities Act).

Unless permitted by the Listing Rules, you cannot apply for any Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying:

- are an existing Shareholder or a Director;
- are a close associate of any of the above;
- are a core connected person (as defined in the Listing Rules) of our Company or will become a core connected person of our Company immediately upon completion of the Global Offering; or
- have been allocated or have applied for any International Offer Shares or otherwise participated in the International Offering.

2. Application Channels

The Hong Kong Public Offering period will begin at 9:00 a.m. on Thursday, March 12, 2026 and end at 12:00 noon on Tuesday, March 17, 2026 (Hong Kong time).

To apply for Hong Kong Offer Shares, you may use one of the following application channels:

Application Channel	Platform	Target Investors	Application Time
HK eIPO White Form service	at www.hkeipo.hk	Applicants who would like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in your own name.	From 9:00 a.m. on Thursday, March 12, 2026 to 11:30 a.m. on Tuesday, March 17, 2026, Hong Kong time. The latest time for completing full payment of application monies will be 12:00 noon on Tuesday, March 17, 2026, Hong Kong time.
HKSCC EIPO channel	Your broker or custodian who is a HKSCC Participant will submit an EIPO application on your behalf through HKSCC's FINI system in accordance with your instruction.	Investors who would not like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in the name of HKSCC Nominees, deposited directly into CCASS and credited to your designated HKSCC Participant's stock account.	Contact your broker or custodian for the earliest and latest time for giving such instructions, as this may vary by broker or custodian.

The **HK eIPO White Form** service and the **HKSCC EIPO** channel are facilities subject to capacity limitations and potential service interruptions, and you are advised not to wait until the last day for applications to apply for Hong Kong Offer Shares.

For those applying through the **HK eIPO White Form** service, once you complete payment in respect of any application instruction given by you or for your benefit through the **HK eIPO White Form** service to make an application for Hong Kong Offer Shares, an actual application shall be deemed to have been made. If you are a person for whose benefit the application instructions are given, you shall be deemed to have declared that only one set of 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 application instructions for the benefit of the person for whom you are an agent and that you are duly authorized to give those instructions as an agent.

For the avoidance of doubt, giving an application instruction under the **HK eIPO White Form** service more than once and obtaining different 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 **HK eIPO White Form** service, you are deemed to have authorized the **HK eIPO White Form** Service Provider to apply on the terms and conditions in this Prospectus, as supplemented and amended by the terms and conditions of the **HK eIPO White Form** service.

By instructing your broker or custodian to apply for 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 the **HKSCC EIPO** channel, an actual application will be deemed to have been made for any application instruction given by you or for your benefit to HKSCC (in which case an application will be made by HKSCC Nominees on your behalf) provided such application instruction has not been withdrawn or otherwise invalidated before the closing time of the Hong Kong Public Offering.

HKSCC Nominees will only be acting as a nominee for you and neither HKSCC nor HKSCC Nominees shall be liable to you or any other person in respect of any actions taken by HKSCC or HKSCC Nominees on your behalf to apply for Hong Kong Offer Shares or for any breach of the terms and conditions of this Prospectus.

3. Information Required to Apply

You must provide the following information with your application:

For Individual/Joint Applicants	For Corporate Applicants
• Full name(s)[(2)] as shown on your identity document	• Full name(s)[(2)] as shown on your identity document
• Identity document's issuing country or jurisdiction	• Identity document's issuing country or jurisdiction
• Identity document type, with order of priority:	• Identity document type, with order of priority:
i. Hong Kong identity card ("**HKID**"); or	i. Legal Entity Identifier ("**LEI**") registration document; or
ii. National identification document; or	ii. Certificate of incorporation; or
iii. Passport	iii. Business registration certificate; or
	iv. Other equivalent document
• Identity document number	• Identity document number

Notes:

(1) If you are applying through the **HK eIPO White Form** service, you are required to provide a valid e-mail address, a contact telephone number and a Hong Kong address. You are also required to declare that the identity information provided by you follows the requirements as described in Note 2 below. In particular, where you cannot provide a HKID number, you must confirm that you do not hold a HKID card. The number of joint applicants may not exceed four. If you are a firm, the applicant must be in the individual members' names.

(2) The applicant's full name as shown on their identity document must be used and the surname, given name, middle and other names (if any) must be input in the same order as shown on the identity document. If an applicant's identity document contains both English and Chinese names, both English and Chinese names must be used. Otherwise, either English or Chinese name 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 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.

(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 of the joint beneficial owners. If you do not include this information, the application will be treated as being made for your benefit.

(6) If an application is made by 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 our Company;
- control more than half of the voting power of our Company; or
- hold more than half of the issued share capital of our 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).

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$71.88 per H Share, plus brokerage of 1%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and the Stock Exchange trading fee of 0.00565%.

If you are applying through the **HKSCC EIPO** channel, your broker or custodian may require you to pre-fund your application, in such amount as determined by the broker or custodian, based on the applicable laws and regulations in Hong Kong. You are responsible for complying with any such pre-funding requirement imposed by your broker or custodian with respect to the Hong Kong Offer Shares you applied for.

By instructing your broker or custodian to apply for 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, AFRC transaction levy and the Stock Exchange trading fee by debiting the relevant nominee bank account at the designated bank for your broker or custodian.

If you are applying through the **HK eIPO White Form** service, you may refer to the table below for the amount payable for the number of H Shares you have selected. You must pay the respective maximum amount payable on application in full upon application for Hong Kong Offer Shares.

No. of Hong Kong Offer Shares applied for	**Maximum Amount payable(2) on application/ successful allotment**	**No. of Hong Kong Offer Shares applied for**	**Maximum Amount payable(2) on application/ successful allotment**	**No. of Hong Kong Offer Shares applied for**	**Maximum Amount payable(2) on application/ successful allotment**	**No. of Hong Kong Offer Shares applied for**	**Maximum Amount payable(2) on application/ successful allotment**
	HK$		*HK$*		*HK$*		*HK$*
100	7,260.49	2,000	145,209.82	10,000	726,049.10	300,000	21,781,472.95
200	14,520.98	2,500	181,512.27	20,000	1,452,098.20	400,000	29,041,963.92
300	21,781.47	3,000	217,814.72	30,000	2,178,147.29	500,000	36,302,454.90
400	29,041.96	3,500	254,117.18	40,000	2,904,196.39	600,000	43,562,945.88
500	36,302.45	4,000	290,419.63	50,000	3,630,245.49	700,000	50,823,436.85
600	43,562.94	4,500	326,722.10	60,000	4,356,294.59	800,000	58,083,927.85
700	50,823.44	5,000	363,024.55	70,000	5,082,343.69	900,000	65,344,418.82
800	58,083.93	6,000	435,629.46	80,000	5,808,392.79	1,000,000	72,604,909.80
900	65,344.43	7,000	508,234.37	90,000	6,534,441.88	1,500,000	108,907,364.70
1,000	72,604.91	8,000	580,839.28	100,000	7,260,490.98	2,000,000	145,209,819.60
1,500	108,907.36	9,000	653,444.19	200,000	14,520,981.95	2,300,000(1)	166,991,292.55

Notes:

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

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

5. Multiple Applications Prohibited

You or your joint applicant(s) shall not make more than one application for your own benefit, except where you are a nominee and provide the information of the underlying investor in your application as required under "— A. Application for Hong Kong Offer Shares — 3. Information Required to Apply" above. If you are suspected of submitting or causing to be submitted more than one application, all of your applications will be rejected.

Multiple applications made either through (i) the **HK eIPO White Form** service, (ii) the **HKSCC EIPO** channel or (iii) both channels concurrently are prohibited and will be rejected. If you have made an application through the **HK eIPO White Form** service or the **HKSCC EIPO** channel, you or the person(s) for whose benefit you have made the application shall not apply for any International Offer Shares.

The H Share Registrar would record all applications into its system and identify suspected multiple applications with identical names and identification document numbers according to the Best Practice Note on Treatment of Multiple/Suspected Multiple Applications ("**Best Practice Note**") issued by the Federation of Share Registrars Limited.

Since applications are subject to personal information collection statements, identification document numbers displayed are redacted.

6. Terms and Conditions of an Application

By applying for Hong Kong Offer Shares through the **HK eIPO White Form** service or the **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 (or their agents or nominees), as our agents, to execute any documents for you and to do on your behalf all things necessary to register any Hong Kong Offer Shares allocated to you in your name or in the name of HKSCC Nominees as required by the Articles of Association, and (if you are applying through the **HKSCC EIPO** channel) to deposit the allotted Hong Kong Offer Shares directly into CCASS for the credit of your designated HKSCC Participant's stock account on your behalf;

(ii) confirm that you have read and understood the terms and conditions and application procedures set out in this Prospectus and the designated website of the **HK eIPO White Form** service (or as the case may be, the agreement you entered into with your broker or custodian), and agree to be bound by them;

(iii) (if you are applying through the **HKSCC EIPO** channel) agree to the arrangements, undertakings and warranties under the participant agreement between your broker or custodian and HKSCC and observe the General Rules of HKSCC and the HKSCC Operational Procedures for giving application instructions to apply for Hong Kong Offer Shares;

(iv) confirm that you are aware of the restrictions on the Hong Kong Public Offering 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 we, the Joint Sponsors, the Joint Global Coordinators, the Overall Coordinators, the Capital Market Intermediaries, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, our and their respective directors, officers, employees, partners, agents, advisors and other parties involved in the Global Offering (the "**Relevant Persons**"), the H Share Registrar, the **HK eIPO White Form** Service Provider and HKSCC will not be liable for any information and representations not in this Prospectus and any supplement to it;

(vii) undertake and confirm that you or the person(s) for whose benefit you have made the application have not applied for or taken up, or indicated an interest in, and will not apply for or take up, or indicate an interest in, any International Offer Shares nor participated in the International Offering;

(viii) agree to disclose the details of your application and your personal data and any other personal data which may be required about you and the person(s) for whose benefit you have made the application to us, the Relevant Persons, the 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 specified under "— G. Personal Data" below;

(ix) agree (without prejudice to any other rights which you may have once your application (or as the case may be, HKSCC Nominees' application) has been accepted) that you will not rescind it because of an innocent misrepresentation;

(x) agree that subject to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any application made by you or HKSCC Nominees on your behalf cannot be revoked once it is accepted, which will be evidenced by the notification of the result of the ballot by the H Share Registrar by way of publication of the results at the time and in the manner as specified in "— B. Publication of Results" below;

(xi) confirm that you are aware of the situations specified in "— C. Circumstances in Which You Will Not Be Allocated Hong Kong Offer Shares" below;

(xii) agree that your application or HKSCC Nominees' application, any acceptance of it and the resulting contract will be governed by and construed in accordance with the laws of Hong Kong;

(xiii) agree and warrant that you have complied with the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Cayman Companies Act, the Memorandum and Articles of Association, and laws of any place outside Hong Kong that apply to your application, and that neither we nor the Relevant Persons will breach any law inside and/or outside Hong Kong as a result of the acceptance of your offer to purchase, or any action arising from your rights and obligations under the terms and conditions contained in this Prospectus;

(xiv) represent, warrant and undertake that (a) you understand that the Hong Kong Offer Shares have not been and will not be registered under the U.S. Securities Act; and (b) you and the person(s) for whose benefit you have made the application are outside the United States (as defined in Regulation S) or are a person described in paragraph (h)(3) of Rule 902 of Regulation S;

(xv) confirm that (a) your application or HKSCC Nominees' application on your behalf is not financed directly or indirectly by our Company, any of the directors, chief executives, substantial shareholder(s) or existing shareholder(s) of our 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 our Company, any of the directors, chief executives, substantial shareholder(s) or existing shareholder(s) of our Company or any of its subsidiaries or any of their respective close associates in relation to the acquisition, disposal, voting or other disposition of the H Shares registered in your name or otherwise held by you;

(xvi) warrant that the information you have provided is true and accurate;

(xvii) 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;

(xviii) agree to accept Hong Kong Offer Shares applied for or any lesser number allocated to you under the application;

(xix) authorize us to place your name(s) or the name of HKSCC Nominees on our register of members as the holder(s) of any Hong Kong Offer Shares allocated to you and such other registers as may be required under the Memorandum and Articles of Association, and we and/or our agents to send any H Share certificate(s) and/or any **HK eIPO White Form** e-Auto Refund payment instructions and/or any refund check(s) to you or the first-named applicant for joint application to the address specified in your application instructions by ordinary post at your own risk, unless you are eligible to collect the H Share certificate(s) and/or refund check(s) in person;

(xx) declare and represent that this is the only application made and the only application intended by you to be made to benefit you or the person for whose benefit you are applying;

(xxi) (if the application is made for your own benefit) warrant that no other application has been or will be made for your benefit by giving application instructions to HKSCC directly or indirectly or through the application channel of the **HK eIPO White Form** service or by you or by anyone as your agent or by any other person; and

(xxii) (if you are making the application as an agent for the benefit of another person) warrant that (a) 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 application instructions to HKSCC or the **HK eIPO White Form** Service Provider and (b) you have due authority to give application instructions on behalf of that other person as its agent.

B. PUBLICATION OF RESULTS

Results of Allocation

You can check whether you are successfully allocated any Hong Kong Offer Shares through:

	Platform	Date/Time
	Applying through the HK eIPO White Form service or HKSCC EIPO channel:	
Website	From the "Allotment Results" page at **www.hkeipo.hk/IPOResult** (or **www.tricor.com.hk/ipo/result**) with a "search by ID" function	24 hours, from 11:00 p.m. on Thursday, March 19, 2026 to 12:00 midnight on Wednesday, March 25, 2026 (Hong Kong time).
	The full list of (i) wholly or partially successful applicants using the **HK eIPO White Form** service and **HKSCC EIPO** channel, and (ii) the number of Hong Kong Offer Shares conditionally allotted to them, among other things, will be displayed at **www.hkeipo.hk/IPOResult** (or **www.tricor.com.hk/ipo/result**).	
	The Stock Exchange's website at **www.hkexnews.hk** and our website at **www.delton.com.cn,** which will provide links to the above-mentioned websites of the H Share Registrar.	By 11:00 p.m. on Thursday, March 19, 2026 (Hong Kong time).

	Platform	Date/Time
Applying through the HK eIPO White Form service or HKSCC EIPO channel:		
Telephone	+852 3691 8488 — the allocation results telephone enquiry line provided by the H Share Registrar	Between 9:00 a.m. and 6:00 p.m. from Friday, March 20, 2026 to Wednesday, March 25, 2026 on a business day (Hong Kong time).

For those applying through the **HKSCC EIPO** channel, you may also check with your broker or custodian from 6:00 p.m. on Wednesday, March 18, 2026 (Hong Kong time).

HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Wednesday, March 18, 2026 (Hong Kong time) on a 24-hour basis, and should report any discrepancies on allotments to HKSCC as soon as practicable.

Allocation Announcement

We expect to announce the 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 the Hong Kong Offer Shares on the Stock Exchange's website at **www.hkexnews.hk** and our website at **www.delton.com.cn** by no later than 11:00 p.m. on Thursday, March 19, 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:

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 "—

  A. Application for Hong Kong Offer Shares — 5. Multiple Applications Prohibited" above on what constitutes multiple applications;

- your application instruction is incomplete;
- your payment (or confirmation of funds, as the case may be) is not made correctly;
- the Underwriting Agreements do not become unconditional or are terminated; or
- our Company or the Overall Coordinators believe that by accepting your application, it or they would violate applicable securities or other laws, rules or regulations.

5. If there is money settlement failure for allotted H 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 H Shares, HKSCC will contact the defaulting HKSCC Participant and its designated bank to determine the cause of failure and request such defaulting HKSCC Participant to rectify or procure to rectify the failure.

However, if it is determined that such settlement obligation cannot be met, the affected Hong Kong Offer Shares will be reallocated to the International Offering. Hong Kong Offer Shares applied for by you through the broker or custodian may be affected to the extent of the settlement failure. In the extreme case, you will not be allocated any Hong Kong Offer Shares due to the money settlement failure by such HKSCC Participant. None of us, the Relevant Persons, the H Share Registrar and HKSCC is or will be liable if Hong Kong Offer Shares are not allocated to you due to the money settlement failure.

D. 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 H Shares. No receipt will be issued for sums paid on application.

The H Share certificates will only become valid evidence of title at 8:00 a.m. on the Listing Date, which is expected to be Friday, March 20, 2026 (Hong Kong time), provided that the Global Offering has become unconditional in all respects and the right of termination described in "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination" has not been exercised. Investors who trade H Shares prior to the receipt of H Share certificates or prior to the H Share certificates becoming valid evidence of title do so entirely at their own risk.

The right is reserved to retain any H Share certificate(s) and (if applicable) any surplus application monies pending clearance of application monies.

The following sets out the relevant procedures and time:

	HK eIPO White Form service	HKSCC EIPO channel
Despatch/collection of H Share certificate		
For application of 1,000,000 Hong Kong Offer Shares or more	Collection in person from the H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.	H Share certificate(s) will be issued in the name of HKSCC Nominees, deposited into CCASS and credited to your designated HKSCC Participant's stock account.
	Time: from 9:00 a.m. to 1:00 p.m. on Friday, March 20, 2026 (Hong Kong time).	No action by you is required.
	If you are an individual, you must not authorize any other person to collect for you. If you are a corporate applicant, your authorized representative must bear a letter of authorization from your corporation stamped with your corporation's chop.	
	Both individuals and authorized representatives must produce, at the time of collection, evidence of identity acceptable to the H Share Registrar.	
	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.	

	HK eIPO White Form service	HKSCC EIPO channel
For application of less than 1,000,000 Hong Kong Offer Shares	Your H Share certificate(s) will be sent to the address specified in your application instructions by ordinary post at your own risk. Date: Thursday, March 19, 2026	
Refund mechanism for surplus application monies paid by you		
Date	Friday, March 20, 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	**HK eIPO White Form** e-Auto Refund payment instructions to your designated bank account.	Your broker or custodian will arrange refund to your designated bank account subject to the arrangement between you and it.
Application monies paid through multiple bank accounts	Refund check(s) will be dispatched to the address specified in your application instructions by ordinary post at your own risk.	

Except in the event of any Severe Weather Signals (as defined below) in force in Hong Kong in the morning on Thursday, March 19, 2026 rendering it impossible for the relevant H Share certificates to be dispatched to HKSCC in a timely manner, our 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 application lists will not open or close on Tuesday, March 17, 2026 if there is/are:

- a tropical cyclone warning signal number 8 or above;
- a "black" rainstorm warning signal; 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 Tuesday, March 17, 2026 (Hong Kong time).

Instead they will open at 11:45 a.m. and/or close at 12:00 noon on the next business day which does not have **Severe** Weather Signals in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon (Hong Kong time).

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 "Expected Timetable," an announcement will be made and published on the website of the Stock Exchange at **www.hkexnews.hk** and our website at **www.delton.com.cn** of the revised timetable.

If a **Severe** Weather Signal is hoisted on Thursday, March 19, 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 Friday, March 20, 2026.

If a **Severe** Weather Signal is hoisted on Thursday, March 19, 2026, for application of less than 1,000,000 Hong Kong Offer Shares, the despatch of physical H Share certificate(s) 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 Thursday, March 19, 2026 or on Friday, March 20, 2026).

If a **Severe** Weather Signal is hoisted on Friday, March 20, 2026, for application of 1,000,000 Hong Kong Offer Shares or more, physical H Share certificate(s) will be available for collection in person at the H Share Registrar's office after the **Severe** Weather Signal is lowered or canceled (e.g. in the afternoon of Friday, March 20, 2026 or on Monday, March 23, 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 on the Stock Exchange or any other date HKSCC chooses. Settlement of transactions between Exchange Participants is required to take place in CCASS on the second settlement day after any trading day.

All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

All necessary arrangements have been made enabling the H Shares to be admitted into CCASS.

You should seek the advice of your broker or other professional advisors for details of those settlement arrangements 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 our Company, the H Share Registrar, the receiving bank and the Relevant Persons about you in the same way as it applies to personal data about applicants other than HKSCC Nominees. Such 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 applicant for, and holder of, Hong Kong Offer Shares, of the policies and practices of our Company and the H Share Registrar in relation to personal data and the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

2. Reasons for the Collection of Your Personal Data

It is necessary for applicants and registered holders of Hong Kong Offer Shares to ensure that personal data supplied to our Company or its agents and the H Share Registrar is accurate and up-to-date when applying for Hong Kong Offer Shares or transferring Hong Kong Offer Shares into or out of their names or in procuring the services of the H Share Registrar.

Failure to supply the requested data or supplying inaccurate data may result in your application for Hong Kong Offer Shares being rejected, or in the delay or the inability of our Company or the H Share Registrar to effect transfers or otherwise render their services. It may also prevent or delay registration or transfers of Hong Kong Offer Shares which you have successfully applied for and/or the dispatch of H Share certificate(s) to which you are entitled.

It is important that applicants for and holders of Hong Kong Offer Shares inform our Company and the H Share Registrar immediately of any inaccuracies in the personal data supplied.

3. Purposes

Your personal data may be used, held, processed and/or stored (by whatever means) for the following purposes:

- processing your application and refund check and **HK eIPO White Form** e-Auto Refund payment instruction(s), where applicable, verification of compliance with the terms and application procedures set out in this Prospectus and announcing results of allocation of Hong Kong Offer Shares;
- compliance with applicable laws and regulations in Hong Kong and elsewhere;

- registering new issues or transfers into or out of the names of the holders of the H Shares including, where applicable, HKSCC Nominees;
- maintaining or updating our Company's register of members;
- verifying identities of applicants for and holders of the H Shares and identifying any duplicate applications for the H Shares;
- facilitating Hong Kong Offer Shares balloting;
- establishing benefit entitlements of holders of the H Shares, such as dividends, rights issues, bonus issues, etc.;
- distributing communications from our Company and its subsidiaries;
- compiling statistical information and profiles of the holder of the H Shares;
- disclosing relevant information to facilitate claims on entitlements; and
- any other incidental or associated purposes relating to the above and/or to enable our Company and the H Share Registrar to discharge their obligations to applicants for and holders of the H Shares and/or regulators and/or any other purposes to which applicants for and holders of the H Shares may from time to time agree.

4. Transfer of Personal Data

Personal data held by our Company and the H Share Registrar relating to the applicants for and holders of Hong Kong Offer Shares will be kept confidential but our 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:

- our Company's appointed agents such as financial advisors, receiving bank and overseas principal share registrar;
- HKSCC or HKSCC Nominees, who will use the personal data and may transfer the personal data to the H Share Registrar, in each case for the purposes of providing its services or facilities or performing its functions in accordance with its rules or procedures and operating FINI and CCASS (including where applicants for the Hong Kong Offer Shares request a deposit into CCASS);
- any agents, contractors or third-party service providers who offer administrative, telecommunications, computer, payment or other services to our Company or the H Share Registrar in connection with their respective business operations;

- the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, including for the purposes 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

Our Company and the H Share Registrar will keep the personal data of the applicants for 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 our 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. Our 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 our Company, at our Company's registered address disclosed in "Corporate Information" or as notified from time to time, for the attention of the joint company secretaries, or the H Share Registrar for the attention of the privacy compliance officer.

Ernst & Young
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979 King's Road
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ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF DELTON TECHNOLOGY (GUANGZHOU) INC. AND CITIC SECURITIES (HONG KONG) LIMITED AND HSBC CORPORATE FINANCE (HONG KONG) LIMITED

Introduction

We report on the historical financial information of Delton Technology (Guangzhou) Inc. (the "**Company**") and its subsidiaries (together, the "**Group**") set out on pages I-4 to I-97, which comprises the consolidated statements of profit or loss and other comprehensive income, statements of changes in equity and 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-97 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated 12 March 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' judgment, 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 comparative financial information of the Group which comprises the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the nine months ended 30 September 2024 and other explanatory information (the "**Interim Comparative Financial Information**"). The directors of the Company are responsible for the preparation and presentation of the Interim Comparative 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 Comparative 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 inquiries, 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 Comparative Financial Information, for the purposes 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.

Dividend

We refer to note 11 to the Historical Financial Information which contains information about the dividend paid by the Company in respect of the Relevant Periods.

Certified Public Accountants
Hong Kong
12 March 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 financial statements 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 ("**HKSAs**") 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 AND OTHER COMPREHENSIVE INCOME

	Notes	Year ended December 31,			Nine months ended September 30,	
		2022	2023	2024	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
REVENUE	5	2,412,387	2,678,270	3,734,285	2,680,660	3,835,129
Cost of sales		(1,783,719)	(1,786,428)	(2,487,825)	(1,787,983)	(2,498,591)
Gross profit		628,668	891,842	1,246,460	892,677	1,336,538
Other income and gains	5	84,710	32,595	91,212	35,420	49,315
Selling and marketing expenses		(69,018)	(85,287)	(106,620)	(76,638)	(91,516)
Administrative expenses		(104,522)	(118,538)	(157,491)	(92,746)	(174,038)
Research and development costs		(115,095)	(120,589)	(179,197)	(130,512)	(193,920)
Other expenses		(102,432)	(89,213)	(116,016)	(60,259)	(88,449)
Finance costs	7	(11,666)	(13,927)	(15,867)	(11,942)	(14,466)
PROFIT BEFORE TAX	6	310,645	496,883	762,481	556,000	823,464
Income tax expense	10	(30,994)	(82,197)	(86,381)	(63,505)	(99,645)
PROFIT FOR THE YEAR/PERIOD		279,651	414,686	676,100	492,495	723,819
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		–	–	4,162	–	(5,757)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR/PERIOD, NET OF TAX		–	–	4,162	–	(5,757)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR/PERIOD		279,651	414,686	680,262	492,495	718,062
Profit attributable to:						
Owners of the parent		279,651	414,686	676,100	492,495	723,819
Total comprehensive income attributable to:						
Owners of the parent		279,651	414,686	680,262	492,495	718,062
EARNING PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT						
Basic (RMB)	12	0.74	1.09	1.66	1.20	1.70
Diluted (RMB)	12	0.74	1.09	1.65	1.20	1.70

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As at December 31, 2022	As at December 31, 2023	As at December 31, 2024	As at September 30, 2025
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS					
Property, plant and equipment	*13*	1,640,387	1,815,563	2,567,318	3,097,015
Right-of-use assets	*14*	120,340	114,335	104,949	105,891
Intangible assets	*15*	28,422	19,923	18,695	18,809
Investment in an associate	*17*	–	–	–	12,000
Deferred tax assets	*18*	56,074	51,109	75,652	35,208
Other non-current assets	*21*	2,664	8,801	70,464	49,537
Total non-current assets		1,847,887	2,009,731	2,837,078	3,318,460
CURRENT ASSETS					
Inventories	*19*	355,583	396,914	458,550	621,243
Trade and bills receivables	*20*	704,733	886,657	1,292,954	1,731,367
Prepayments, deposits and other receivables	*21*	55,543	74,851	83,775	111,619
Financial assets at fair value through profit or loss	*22*	–	–	291,070	191,509
Derivative financial instruments	*27*	–	–	–	614
Financial assets at fair value through other comprehensive income	*23*	–	13,012	1,048	1,427
Pledged and restricted deposits	*24*	81,063	82,064	86,210	93,052
Cash and cash equivalents	*24*	200,047	349,203	635,071	702,425
Total current assets		1,396,969	1,802,701	2,848,678	3,453,256
CURRENT LIABILITIES					
Trade and bills payables	*25*	1,129,255	1,221,691	1,646,602	2,075,794
Other payables and accruals	*26*	155,870	131,325	267,563	235,813
Derivative financial instruments	*27*	–	1,422	8,088	–
Tax payable		4,837	32,232	31,884	31,572
Contract liabilities	*28*	9,078	6,304	7,379	12,690
Interest-bearing bank and other borrowings	*30*	186,813	152,374	220,973	232,328
Lease liabilities	*14*	14,382	9,853	433	629
Total current liabilities		1,500,235	1,555,201	2,182,922	2,588,826
NET CURRENT (LIABILITIES)/ASSETS		(103,266)	247,500	665,756	864,430
TOTAL ASSETS LESS CURRENT LIABILITIES		1,744,621	2,257,231	3,502,834	4,182,890
NON-CURRENT LIABILITIES					
Interest-bearing bank and other borrowings	*30*	136,691	230,840	193,946	336,457
Lease liabilities	*14*	240	433	–	2,500
Deferred income	*29*	131,044	126,721	166,725	173,648
Deferred tax liabilities	*18*	67,572	68,923	68,317	36,334
Total non-current liabilities		335,547	426,917	428,988	548,939
Net assets		1,409,074	1,830,314	3,073,846	3,633,951
EQUITY					
Equity attributable to owners of the parent					
Share capital	*31*	380,000	380,000	425,265	425,235
Treasury shares	*31*	–	–	(52,985)	(51,793)
Reserves	*33*	1,029,074	1,450,314	2,701,566	3,260,509
Total equity		1,409,074	1,830,314	3,073,846	3,633,951

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Year ended December 31, 2022

	Attributable to owners of the parent					
	Share capital	Capital reserve*	Share-based payment reserve*	Statutory reserve*	Retained profits*	Total equity
	RMB'000 *(note 31)*	*RMB'000* *(note 33)*	*RMB'000* *(note 32)*	*RMB'000* *(note 33)*	*RMB'000*	*RMB'000*
At January 1, 2022	380,000	553,047	78,869	19,569	90,546	1,122,031
Profit for the year	–	–	–	–	279,651	279,651
Share-based payments *(note 32)*	–	–	7,392	–	–	7,392
Profit appropriations to statutory reserve	–	–	–	28,888	(28,888)	–
At December 31, 2022	380,000	553,047	86,261	48,457	341,309	1,409,074

Year ended December 31, 2023

	Attributable to owners of the parent						
	Share capital	Capital reserve*	Share-based payment reserve*	Special reserve – safety fund*	Statutory reserve*	Retained profits*	Total equity
	RMB'000 *(note 31)*	*RMB'000* *(note 33)*	*RMB'000* *(note 32)*	*RMB'000* *(note 33)*	*RMB'000* *(note 33)*	*RMB'000*	*RMB'000*
At January 1, 2023	380,000	553,047	86,261	–	48,457	341,309	1,409,074
Profit for the year	–	–	–	–	–	414,686	414,686
Share-based payments *(note 32)*	–	–	6,554	–	–	–	6,554
Profit appropriations to statutory reserve	–	–	–	–	44,824	(44,824)	–
Profit appropriations to safety fund *(note 33)*	–	–	–	6,166	–	(6,166)	–
At December 31, 2023	380,000	553,047	92,815	6,166	93,281	705,005	1,830,314

Year ended December 31, 2024

	Attributable to owners of the parent								
	Share capital	Treasury shares	Capital reserve*	Share-based payment reserve*	Foreign currency translation reserve*	Special reserve – safety fund*	Statutory reserve*	Retained profits*	Total equity
	RMB'000 *(note 31)*	*RMB'000* *(note 31)*	*RMB'000* *(note 33)*	*RMB'000* *(note 32)*	*RMB'000* *(note 33)*	*RMB'000* *(note 33)*	*RMB'000* *(note 33)*	*RMB'000*	*RMB'000*
At January 1, 2024	380,000	–	553,047	92,815	–	6,166	93,281	705,005	1,830,314
Profit for the year	–	–	–	–	–	–	–	676,100	676,100
Other comprehensive income for the year:									
Exchange differences on translation of foreign operations	–	–	–	–	4,162	–	–	–	4,162
Total comprehensive income for the year	–	–	–	–	4,162	–	–	676,100	680,262
Share-based payments *(note 32)*	–	–	–	15,386	–	–	–	–	15,386
Profit appropriations to statutory reserve	–	–	–	–	–	–	70,313	(70,313)	–
Profit appropriations to safety fund *(note 33)*	–	–	–	–	–	6,457	–	(6,457)	–
Issue of shares *(note 31)*	42,300	–	611,159	–	–	–	–	–	653,459
Issue of restricted shares *(note 31)*	2,965	(52,985)	50,020	–	–	–	–	–	–
Dividend declared *(note 11)*	–	–	–	–	–	–	–	(105,575)	(105,575)
At December 31, 2024	425,265	(52,985)	1,214,226	108,201	4,162	12,623	163,594	1,198,760	3,073,846

Nine months ended September 30, 2024 (unaudited)

	Attributable to owners of the parent							
	Share capital	Treasury shares	Capital reserve	Share-based payment reserve	Special reserve – safety fund	Statutory reserve	Retained profits	Total equity
	RMB'000 (note 31)	*RMB'000 (note 31)*	*RMB'000 (note 33)*	*RMB'000 (note 32)*	*RMB'000 (note 33)*	*RMB'000 (note 33)*	*RMB'000*	*RMB'000*
At January 1, 2024	380,000	–	553,047	92,815	6,166	93,281	705,005	1,830,314
Profit for the period (unaudited)	–	–	–	–	–	–	492,495	492,495
Share-based payments *(note 32)* (unaudited)	–	–	–	2,369	–	–	–	2,369
Profit appropriations to safety fund *(note 33)* (unaudited)	–	–	–	–	4,855	–	(4,855)	–
Issue of shares *(note 31)* (unaudited)	42,300	–	611,159	–	–	–	–	653,459
Dividend declared *(note 11)* (unaudited)	–	–	–	–	–	–	(105,575)	(105,575)
As at September 30, 2024 (unaudited)	422,300	–	1,164,206	95,184	11,021	93,281	1,087,070	2,873,062

Nine months ended September 30, 2025

	Attributable to owners of the parent								
	Share capital	Treasury shares	Capital reserve*	Share-based payment reserve*	Foreign currency translation reserve*	Special reserve – safety fund*	Statutory reserve*	Retained profits*	Total equity
	RMB'000 (note 31)	*RMB'000 (note 31)*	*RMB'000 (note 33)*	*RMB'000 (note 32)*	*RMB'000 (note 33)*	*RMB'000 (note 33)*	*RMB'000 (note 33)*	*RMB'000*	*RMB'000*
At January 1, 2025	425,265	(52,985)	1,214,226	108,201	4,162	12,623	163,594	1,198,760	3,073,846
Profit for the period	–	–	–	–	–	–	–	723,819	723,819
Other comprehensive loss for the period:									
Exchange differences on translation of foreign operations	–	–	–	–	(5,757)	–	–	–	(5,757)
Total comprehensive income for the period	–	–	–	–	(5,757)	–	–	723,819	718,062
Share-based payments *(note 32)*	–	–	–	45,282	–	–	–	–	45,282
Profit appropriations to safety fund *(note 33)*	–	–	–	–	–	4,031	–	(4,031)	–
Repurchase and cancelation of forfeited restricted shares *(note 31)*	(30)	536	(506)	–	–	–	–	–	–
Dividend declared *(note 11)*	–	656	–	–	–	–	–	(203,895)	(203,239)
As at September 30, 2025	425,235	(51,793)	1,213,720	153,483	(1,595)	16,654	163,594	1,714,653	3,633,951

* These reserve accounts comprise the consolidated reserves of RMB1,029,074,000, RMB1,450,314,000 and RMB2,701,566,000 and RMB3,260,509,000 in the consolidated statements of financial position as at December 31, 2022, 2023 and 2024 and September 30, 2025, respectively.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Notes	Year ended December 31,			Nine months ended September 30,	
		2022	2023	2024	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Profit before tax		310,645	496,883	762,481	556,000	823,464
Adjustments for:						
Finance costs	7	11,666	13,927	15,867	11,942	14,466
Interest income	5	(1,554)	(4,473)	(17,353)	(12,288)	(14,877)
Foreign exchange gains, net		(31,889)	(20,984)	(7,350)	(4,098)	(1,515)
Depreciation of property, plant and equipment	13	121,406	143,999	153,462	116,625	149,960
Amortization of intangible assets	15	7,641	10,173	10,967	8,059	10,844
Depreciation of right-of-use assets		15,249	14,412	12,404	8,295	2,393
Net losses/(gains) on disposal of property, plant and equipment		1,091	2,008	777	510	(67)
Net gains on disposal of right-of-use assets		–	(43)	(23)	–	–
Fair value gains on financial assets at fair value through profit or loss		–	–	(2,972)	(1,693)	(3,686)
Write-down of inventories to net realizable value	6	66,937	33,331	71,771	45,129	60,333
Fair value losses/(gains) on derivative financial instruments	5	21,160	41,537	14,929	(875)	(6,188)
(Reversal of impairment)/ impairment losses on financial assets, net		(3,439)	11,495	17,870	11,618	26,723
Impairment of property, plant and equipment	13	16,645	729	7,501	–	154
Share-based payment expenses	32	7,392	6,554	15,386	2,369	45,282
Decrease/(increase) in inventories		23,504	(74,661)	(133,408)	(32,540)	(223,057)
Decrease/(increase) in trade and bills receivables		17,559	(206,851)	(424,149)	(255,662)	(465,568)
(Increase)/decrease in financial assets at fair value through other comprehensive income		–	(13,012)	11,964	5,572	(379)
Decrease/(increase) in prepayments, deposits and other receivables		5,209	(17,636)	(13,934)	(766)	(27,411)
(Decrease)/increase in trade and bills payables		(307,611)	142,203	231,928	201,793	384,224
Increase/(decrease) in other payables and accruals		109,577	26,425	121,266	(13,143)	48,530
Increase/(decrease) in contract liabilities		1,870	(2,774)	1,075	5,361	5,311
Increase/(decrease) in deferred income		67,791	(4,323)	40,004	30,992	6,923

	Notes	Year ended December 31,			Nine months ended September 30,	
		2022	2023	2024	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Cash generated from operations		460,849	598,919	890,463	683,200	835,859
Interest received		1,554	4,473	17,353	12,288	14,877
Income taxes paid		(31,537)	(75,879)	(111,531)	(75,766)	(91,184)
Net cash flows from operating activities		430,866	527,513	796,285	619,722	759,552
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds from disposal of items of property, plant and equipment		740	1,709	137	137	4,037
Purchases of items of property, plant and equipment		(445,330)	(398,026)	(814,824)	(541,451)	(716,933)
Purchases of intangible assets		(10,946)	(6,041)	(10,323)	(7,898)	(12,379)
Acquisition of land use rights		–	–	(2,364)	–	–
Placement of financial assets at fair value through profit or loss		–	–	(1,316,000)	(996,000)	(823,800)
Withdrawal of financial assets at fair value through profit or loss		–	–	1,026,000	866,000	923,800
Payment of equity investment in associate		–	–	–	–	(12,000)
Investment income from financial assets at fair value through profit or loss		–	–	7,504	4,537	3,305
Investment losses from derivative financial instruments		–	(22,506)	(13,865)	(10,042)	(4,020)
Net cash flows used in investing activities		(455,536)	(424,864)	(1,123,735)	(684,717)	(637,990)
CASH FLOWS FROM FINANCING ACTIVITIES						
New bank and other borrowings		423,991	320,369	220,801	134,069	268,904
Proceeds from issue of shares		–	–	790,274	680,255	10,825
Dividend paid		–	–	(105,575)	(105,575)	(203,895)
Repayment of bank and other borrowings		(277,787)	(246,824)	(193,105)	(115,420)	(115,020)
Interest paid		(12,445)	(12,982)	(13,949)	(11,942)	(12,071)
Payments of lease liabilities		(14,642)	(14,727)	(10,696)	(8,398)	(681)
Payments of A shares listing expenses		(3,170)	(1,981)	(78,680)	(78,680)	–
Payments of H Shares listing expenses		–	–	–	–	(14,158)
Repurchase and cancelation of forfeited restricted shares		–	–	–	–	(536)
Placement of pledged deposits		(376,413)	(235,195)	(4,988)	(4,988)	–
Withdrawal of pledged deposits		366,477	234,472	4,988	4,988	–
Net cash flows from/(used in) financing activities		106,011	43,132	609,070	494,309	(66,632)

	Notes	Year ended December 31,			Nine months ended September 30,	
		2022	2023	2024	2024	2025
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (*Unaudited*)	*RMB'000*
NET INCREASE IN CASH AND CASH EQUIVALENTS		81,341	145,781	281,620	429,314	54,930
Cash and cash equivalents at beginning of year/period		106,937	200,047	349,203	349,203	635,071
Effect of foreign exchange rate changes, net		11,769	3,375	4,248	13,603	12,424
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD		200,047	349,203	635,071	792,120	702,425
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS						
Cash and bank balances	*24*	281,110	431,267	721,281	871,847	795,477
Less: Pledged and restricted deposits	*24*	(81,063)	(82,064)	(86,210)	(79,727)	(93,052)
Cash and cash equivalents as stated in the statements of financial position and the statements of cash flows	*24*	200,047	349,203	635,071	792,120	702,425

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	Notes	As at December 31, 2022	As at December 31, 2023	As at December 31, 2024	As at September 30, 2025
		RMB'000	RMB'000	RMB'000	RMB'000
NON-CURRENT ASSETS					
Property, plant and equipment	13	793,997	788,290	788,993	921,110
Right-of-use assets		19,028	15,328	5,713	5,183
Intangible assets	15	15,332	10,625	11,652	10,576
Investments in subsidiaries	16	437,005	599,912	979,672	1,079,672
Investment in an associate	17	–	–	–	12,000
Deferred tax assets	18	23,116	22,440	41,979	–
Other non-current assets	21	2,218	2,043	12,448	20,539
Total non-current assets		1,290,696	1,438,638	1,840,457	2,049,080
CURRENT ASSETS					
Inventories	19	313,836	349,211	390,947	429,309
Trade and bills receivables	20	567,512	800,102	1,310,067	1,767,881
Prepayments, deposits and other receivables	21	372,175	444,535	622,621	853,748
Financial assets at fair value through profit or loss	22	–	–	291,070	191,509
Financial assets at fair value through other comprehensive income	23	–	13,012	1,048	1,427
Pledged and restricted deposits	24	81,063	73,378	62,451	48,116
Cash and cash equivalents	24	145,331	188,504	364,608	525,740
Total current assets		1,479,917	1,868,742	3,042,812	3,817,730
CURRENT LIABILITIES					
Trade and bills payables	25	780,495	869,217	1,027,109	1,580,708
Other payables and accruals	26	88,049	112,637	241,771	175,672
Derivative financial instruments	27	–	457	–	–
Tax payable		–	27,348	30,897	20,616
Contract liabilities	28	1,591	779	1,586	5,266
Interest-bearing bank and other borrowings	30	139,994	111,428	180,982	172,328
Lease liabilities		14,382	9,853	433	–
Total current liabilities		1,024,511	1,131,719	1,482,778	1,954,590
NET CURRENT ASSETS		455,406	737,023	1,560,034	1,863,140
TOTAL ASSETS LESS CURRENT LIABILITIES		1,746,102	2,175,661	3,400,491	3,912,220
NON-CURRENT LIABILITIES					
Interest-bearing bank and other borrowings	30	105,092	80,439	–	30,000
Lease liabilities		240	433	–	–
Deferred income	29	69,327	67,203	107,109	106,311
Deferred tax liabilities	18	67,572	68,923	68,317	36,334
Total non-current liabilities		242,231	216,998	175,426	172,645
Net assets		1,503,871	1,958,663	3,225,065	3,739,575
EQUITY					
Share capital	31	380,000	380,000	425,265	425,235
Treasury shares	31	–	–	(52,985)	(51,793)
Reserves	33	1,123,871	1,578,663	2,852,785	3,366,133
Total equity		1,503,871	1,958,663	3,225,065	3,739,575

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

The Company was established under the laws of the People's Republic of China ("**PRC**") in June 2002 and converted into a joint stock company with limited liability in June 2020. In April 2024, the Company's A Shares were listed on the main board of the Shenzhen Stock Exchange (stock code: 001389). The registered office of the Company is located in No.22 Baoying South Road, Bonded Zone, Guangzhou, Guangdong, PRC.

During the Relevant Periods, the Group was principally engaged in the manufacture and sale of printed circuit boards ("**PCBs**").

As at September 30, 2025, the Company had direct and indirect interests in its subsidiaries, all of which are private limited liability companies, the particulars of which are set out below:

Name	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	
黃石廣合精密電路有限公司 Delton Precision Circuits (Huangshi) Inc.* *(notes (a), (b) and (c))*	PRC/the Chinese Mainland September 9, 2019	RMB680,000,000	100%	–	Manufacture and sale of PCBs
東莞廣合數控科技有限公司 Delton Numerical Control Technology (Dongguan) Co., Ltd.* *(notes (b), (c) and (d))*	PRC/the Chinese Mainland January 28, 2021	RMB100,000,000	100%	–	Manufacture and processing of PCB accessories
Delton Technology International Limited *(notes (e))*	Hong Kong January 3, 2019	USD42,000,000	100%	–	Trading of PCBs
Delton Investment Holdings Limited *(note (f))*	British Virgin Islands April 4, 2023	USD10,000	–	100%	Investment holding
Delton Technology (Thailand) Co., Ltd. *(note (f))*	Thailand May 19, 2023	THB1,600,000,000	–	100%	Manufacture and sale of PCBs
Delton Technology Inc.	United States April 1, 2025	USD3,000,000	–	100%	Research, development and distribution of PCBs

* The English names of the above companies registered in the PRC represent the best efforts made by the directors of the Company in directly translating the Chinese names of these companies as no English names have been registered.

Notes:

(a) The statutory financial statements of this entity for the year ended December 31, 2022 prepared under China Accounting Standards for Business Enterprises ("**CAS**") were audited by Grant Thornton Zhitong Certified Public Accountants LLP ("致同會計師事務所(特殊普通合夥)"), certified public accountants registered in the PRC.

(b) The statutory financial statements of these entities for the year ended December 31, 2023 prepared under CAS were audited by Grant Thornton Zhitong Certified Public Accountants LLP, certified public accountants registered in the PRC.

(c) The statutory financial statements of these entities for the year ended December 31, 2024 prepared under CAS were audited by RSM China Certified Public Accountants LLP ("容誠會計師事務所(特殊普通合夥)"), certified public accountants registered in the PRC.

(d) No audited financial statements have been prepared for this entity for the year ended December 31, 2022.

(e) The statutory financial statements of this entity for the years ended December 31, 2022, 2023 and 2024 prepared under HKFRS Accounting Standards were audited by JOE PANG & CO, certified public accountants registered in Hong Kong.

(f) No audited financial statements have been prepared for these entities for the years ended December 31, 2023 and 2024.

2.1 BASIS OF PREPARATION

The Historical Financial Information has been prepared in accordance with lFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board ("**IASB**"). All lFRS Accounting Standards effective for the accounting period commencing from January 1, 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.

The Historical Financial Information has been prepared under the historical cost convention, except for certain financial instruments which have been measured at fair value through profit or loss, or other comprehensive income.

Basis of consolidation

The Historical Financial Information include the financial statements of the Group for the Relevant Periods. A subsidiary is an 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 financial statements 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 derecognizes the related assets (including goodwill), liabilities, any non-controlling interest and the foreign currency translation reserve; and recognizes the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognized 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 IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and revised lFRS Accounting Standards, that have been issued but are not yet effective, in the Historical Financial Information. The Group intends to apply these revised and new lFRS Accounting Standards, if applicable, when they become effective.

Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[1]
Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[2]
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*[2]
Annual improvements to IFRSs Accounting Standards – Volume 11	*Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7*[2]
IFRS 18	*Presentation and Disclosure in Financial Statements*[3]
IFRS 19	*Subsidiaries without Public Accountability: Disclosures*[3]

1 No mandatory effective date yet determined but available for adoption

2 Effective for annual periods beginning on or after January 1, 2026

3 Effective for annual/reporting periods beginning on or after January 1, 2027

The Group is in the process of making a detailed assessment of the impact of these new and revised lFRS Accounting Standards upon initial application. So far, the Group considers that these new and revised lFRS Accounting Standards, except for IFRS 18, may result in changes in certain accounting policies and no significant impact on the Group's financial performance and financial position is expected in the period of initial application. The application of IFRS 18 is not expected to have material impact on the financial position of the Group but is expected to affect the presentation of the statement of profit or loss and other comprehensive income and statement of cash flows and disclosures in the future financial information. The Group will continue to assess the impact of IFRS 18 on the Group's financial information.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION

Investments in associates

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 investments in associate are 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. The Group's share of the post-acquisition results and other comprehensive income of associate is included in the profit or loss and other comprehensive income, respectively In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's investments in the associate, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associate is included as part of the Group's investments in associate.

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 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 its financial instruments 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, maximizing 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 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 fair value 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, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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 recognized 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 of the Relevant Periods as to whether there is an indication that previously recognized impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognized 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/amortization) had no impairment loss been recognized 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 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 capitalized 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 recognizes 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:

Freehold land	Not depreciated
Buildings	3.00% to 18.00%
Machinery	7.50% to 18.00%
Tools	9.00% to 18.00%
Others	9.00% to 33.33%

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 methods 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 recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognized in profit or loss in the year the asset is derecognized 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.

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 amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortization period and the amortization method for intangible assets with a finite useful life are reviewed at least at each financial year end.

Software	3 to 5 years
Licences	3 to 5 years

The estimated useful lives of intangible assets are determined by considering the period of the economic benefits to the Group or the periods of validity of intangible assets protected by the relevant laws, as well as by referring to the industry practice.

Research and development costs

All research costs are charged to profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalized 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 recognizes 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 recognized 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 recognized, 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:

Buildings	2 to 5 years
Land use rights	40 to 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 recognized 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 recognized 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

The Group applies the short-term lease recognition exemption to its short-term leases of buildings (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).

Lease payments on short-term leases are recognized as an expense on a straight-line basis over the lease term.

Group as a seller-lessee

The Group applies the requirements of IFRS 15 to assess whether a sale and leaseback transaction constitutes a sale by the Group.

For a transfer that does not satisfy the requirements as a sale, the Group as a seller-lessee continues to recognize the assets and accounts for the transfer proceeds as other borrowings within the scope of IFRS 9.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized 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 amortized 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 amortized 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 recognized 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 amortized cost (debt instruments)

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

For financial assets at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in other comprehensive income. Upon derecognition, the cumulative fair value change recognized in other comprehensive income is recycled to profit or loss.

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 recognized in 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 derecognized (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 recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognizes 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.

Impairment of financial assets

The Group recognizes an allowance for expected credit losses ("**ECLs**") for all debt instruments not held at fair value through profit or loss ("**FVTPL**"). 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 recognized 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 each reporting date, 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 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 amortized cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade and bills receivables 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 recognizes 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.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings, or payables, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and bills payables, other payables and accruals, interest-bearing bank and other borrowings.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortized cost (trade and bills payables, other payables and accruals, interest-bearing bank and other borrowings)

After initial recognition, trade and bills payables, other payables and accruals, interest-bearing bank and other borrowings are subsequently measured at amortized cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance costs in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or canceled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognized in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Derivative financial instruments

Derivatives are initially recognized at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each of the Relevant Periods. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Treasury shares

Own equity instruments which are reacquired and held by the Company (treasury shares) are recognized directly in equity at cost. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancelation of the Group's own equity instruments.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined on the weighted average cost basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realizable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal. The amount of write down of inventories to net realizable value is recognized as other expenses in the period in which the write down occurs.

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, 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 statement 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 recognized outside profit or loss is recognized 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 of the Relevant Periods, 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 of the Relevant Periods between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized 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 and an associate, 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 recognized for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognized 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 utilized, 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 and an associate, deferred tax assets are only recognized 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 utilized.

The carrying amount of deferred tax assets is reviewed at the end of each of the Relevant Periods 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 utilized. Unrecognized deferred tax assets are reassessed at the end of each of the Relevant Periods and are recognized 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 realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each of the Relevant Periods.

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 realize 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 recognized 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 recognized 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 installments 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 recognized 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 recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Sale of PCBs

Revenue from the sale of PCBs is recognized at the point in time when control of the asset is transferred to the customers, generally on delivery of the PCBs.

Other income

Interest income is recognized 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 recognized when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related services. Contract liabilities are recognized as revenue when the Group performs under the contract (i.e., transfers control of the related services to the customer).

Employee benefits

Pension scheme

The employees of the Company and its subsidiaries which operate in the Chinese Mainland are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain proportion of its payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Housing fund – the Chinese Mainland

The Group contributes on a monthly basis to a defined contribution housing fund plan operated by the local municipal government. Contributions to this plan by the Group are expensed as incurred.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalized as part of the cost of those assets. The capitalization of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognizes in its financial statements. The Group will adjust the amounts recognized in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognized in its financial statements, but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.

Dividends

Final dividends are recognized as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to Historical Financial Information. Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognized immediately as a liability when they are proposed and declared.

Share-based payments

The Company operates a share award scheme. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services 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 on which they are granted.

The cost of equity-settled transactions is recognized in employee benefit expense, together with a corresponding increase in equity, over the period in which the service conditions are fulfilled. The cumulative expense recognized for equity-settled transactions at the end of each of the Relevant Periods 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 recognized 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 recognized. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognized as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognized for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the canceled award, and is designated as a replacement award on the date that it is granted, the canceled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

Foreign currencies

The Historical Financial Information is presented in RMB, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the Historical Financial Information of each entity are measured using that functional currency. 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 each of the Relevant Periods. Differences arising on settlement or translation of monetary items are recognized 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 recognized in other comprehensive income or profit or loss is also recognized in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currency of one overseas subsidiary is currency other than RMB. As at the end of each of the Relevant Periods, the assets and liabilities of this entity are translated into RMB at the exchange rate prevailing at the end of the reporting period and its statement of profit or loss is translated into RMB at the weighted average exchange rate for each of the year or period.

The resulting exchange differences are recognized 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 recognized in profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiary are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of the overseas subsidiary which arise throughout the reporting periods are translated into RMB at the weighted average exchange rate for each of the reporting periods.

3. SIGNIFICANT ACCOUNTING JUDGMENT AND ESTIMATES

The preparation of the Group's Historical Financial Information requires management to make judgments, 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.

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements:

Deferred tax assets

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The Group has tax losses of RMB28,630,000, RMB72,499,000, RMB113,904,000 and RMB106,977,000 carried forward as at December 31, 2022, 2023 and 2024 and September 30, 2025, respectively. 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 recognize deferred tax assets on the tax losses carried forward.

If the Group had been able to recognize all unrecognized deferred tax assets, the profit and equity would have increased by RMB7,157,000, RMB11,269,000, RMB16,799,000 and RMB18,780,000 for the years ended December 31, 2022, 2023 and 2024 and the nine months ended September 30, 2025, respectively. Further details on deferred tax are disclosed in note 18 to the Historical Financial Information.

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

For the ECLs for trade receivables assessed on collective basis, the Group uses a provision matrix to calculate. The provision rates are based on invoice date 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 will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults, 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 analyzed.

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 19 to the Historical Financial Information.

Write-down of inventories to net realizable value

The Group reviews the carrying amounts of the inventories at the end of each of the Relevant Periods to determine whether the inventories are carried at the lower of cost and net realizable value. The net realizable value is estimated based on the current market situation and historical experience on similar inventories. Any changes in the assumptions would increase or decrease the amounts of inventories written down or the related reversals of write-down and affect the Group's financial position.

Share-based payments

The Group makes the best estimate of the number of exercisable equity instruments at the end of each of the Relevant Periods during the waiting period. Share-based payment expenses are recognized based on the fair value on the grant date and the latest subsequent information obtained. The Group has evaluated the fair value of the equity instruments on the grant date based on the recent transaction price and Black-Scholes model, and also estimated the number of exercisable equity instruments.

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

Management monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resource allocation and performance assessment.

Geographical information

(a) Revenue from external customers

Revenue is attributed to geographical areas based on the delivery destination. Revenue based on the delivery destination for each of the Relevant Periods and the nine months ended September 30, 2024 is presented as follows:

Segments	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
the Chinese Mainland	534,291	618,593	1,051,532	731,206	1,309,242
Outside the Chinese Mainland*	1,878,096	2,059,677	2,682,753	1,949,454	2,525,887
Total revenue	2,412,387	2,678,270	3,734,285	2,680,660	3,835,129

* The delivery destinations outside the Chinese Mainland include the delivery of bonded zones.

The Group were not aware of any significant overseas tax exposure regarding sales for locations outside the Chinese Mainland.

(b) Non-current assets

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
the Chinese Mainland	1,791,813	1,919,499	2,065,982	2,387,075
Outside the Chinese Mainland	–	39,123	695,444	896,177
Total non-current assets	1,791,813	1,958,622	2,761,426	3,283,252

The non-current asset information above is based on the locations of the assets and excludes deferred tax assets.

Information about major customers

Revenue from the major customers which amounted to 10% or more of the Group's revenue is set out below:

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Customer I.	639,883	713,563	918,963	670,193	688,960
Customer II	395,415	533,268	607,612	455,608	666,469

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Revenue from contracts with customers	2,412,387	2,678,270	3,734,285	2,680,660	3,835,129

Revenue from contracts with customers

(a) Disaggregated revenue information

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Types of products					
PCBs	2,271,786	2,537,136	3,479,380	2,519,235	3,574,731
Others	140,601	141,134	254,905	161,425	260,398
Total revenue from contracts with customers	2,412,387	2,678,270	3,734,285	2,680,660	3,835,129
Geographical markets					
the Chinese Mainland	534,291	618,593	1,051,532	731,206	1,309,242
Outside the Chinese Mainland	1,878,096	2,059,677	2,682,753	1,949,454	2,525,887
Total revenue from contracts with customers	2,412,387	2,678,270	3,734,285	2,680,660	3,835,129
Timing of revenue recognition					
Goods transferred at a point in time	2,412,387	2,678,270	3,734,285	2,680,660	3,835,129

The following table shows the amounts of revenue recognized during the Relevant Periods that were included in the contract liabilities at the beginning of each of the Relevant Periods.

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (*Unaudited*)	*RMB'000*
Revenue recognized that was included in contract liabilities at the beginning of the reporting period:					
PCBs	7,207	9,078	6,304	4,885	6,384

(b) Performance obligations

Information about the Group's performance obligations is summarized below:

Sale of PCBs

The performance obligation is satisfied upon the customer's acceptance of the PCBs. The payment is generally due within 90 to 120 days from delivery, except for new customers, where payment in advance is normally required.

All sales of PCBs are for periods of one year or less. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

An analysis of other income and gains is as follows:

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (*Unaudited*)	*RMB'000*
Other income					
Interest income	1,554	4,473	17,353	12,288	14,877
Government grants*	11,199	18,841	21,859	16,152	21,419
Others	877	345	416	314	1,477
Total other income	13,630	23,659	39,628	28,754	37,773
Gains					
Gains on foreign exchange differences	71,074	8,936	48,612	4,098	1,514
Fair value gains on financial assets at fair value through profit or loss	–	–	2,972	1,693	3,686
Fair value gains on derivative financial instruments at fair value through profit or loss	–	–	–	875	6,188
Others	6	–	–	–	154
Total gains	71,080	8,936	51,584	6,666	11,542
Total other income and gains	84,710	32,595	91,212	35,420	49,315

* Government grants mainly represent incentives received from local governments for the purpose of compensation on R&D contribution, local economic contribution and purchases of items of property, plant and equipment. There are no unfulfilled conditions or contingencies relating to these grants.

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Notes	Year ended December 31, 2022	2023	2024	Nine months ended September 30, 2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Cost of inventories sold		1,783,719	1,786,428	2,487,825	1,787,983	2,498,591
Depreciation of property, plant and equipment	13	121,406	143,999	153,462	116,625	149,960
Depreciation of right-of-use assets		15,249	14,412	12,404	8,295	2,393
Amortization of intangible assets*	15	7,641	10,173	10,967	8,059	10,844
Research and development costs		115,095	120,589	179,197	130,512	193,920
Lease payments not included in the measurement of lease liabilities	14(c)	745	419	1,236	666	8,272
Employee benefit expenses (excluding directors' and chief executive's remuneration *(note 8)*):						
Wages, salaries and other allowances		337,123	339,989	458,315	286,851	435,844
Pension scheme contributions**		39,428	37,570	39,483	33,039	51,120
Share-based payment expenses		6,872	5,724	14,968	2,161	45,282
Total		383,423	383,283	512,766	322,051	532,246
Impairment losses on financial assets, net		(3,439)	11,495	17,870	11,618	26,723
Write-down of inventories to net realizable value		66,937	33,331	71,771	45,129	60,333
Fair value losses/(gains) on derivative financial instruments		21,160	41,537	14,929	(875)	(6,188)
Net losses/(gains) on disposal of property, plant and equipment		1,091	2,008	777	510	(67)
H Shares listing expenses		–	–	–	–	1,318
Net gains on disposal of right-of-use assets		–	(43)	(23)	–	–

* The amortization of intangible assets are included in "Cost of sales", "Administrative expenses" and "Research and development costs" in profit or loss.

** There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

7. FINANCE COSTS

	Year ended December 31, 2022	2023	2024	Nine months ended September 30, 2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Interest on bank and other borrowings	10,742	13,074	16,113	12,260	14,425
Interest on lease liabilities	924	1,318	212	140	41
Less: Interest capitalized	–	(465)	(458)	(458)	–
Total	11,666	13,927	15,867	11,942	14,466

8. DIRECTORS' AND SUPERVISORS' REMUNERATION

Directors' and supervisors' remuneration for the Relevant Periods and the nine months ended September 30, 2024 is set out below:

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (*Unaudited*)	*RMB'000*
Fees	182	190	190	142	196
Other emoluments:					
Salaries, allowances and benefits in kind	3,742	4,421	4,305	3,351	2,957
Performance related bonuses	3,675	3,541	3,607	2,566	2,645
Share-based payment expenses	520	830	418	208	–
Pension scheme contributions	158	131	184	136	129
Subtotal	8,095	8,923	8,514	6,261	5,731
Total	8,277	9,113	8,704	6,403	5,927

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the Relevant Periods and the nine months ended September 30, 2024 were as follows:

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (*Unaudited*)	*RMB'000*
Mr. FENG Quanyuan	20	–	–	–	–
Ms. LI Ying	91	95	95	71	80
Ms. CHEN Limei	71	95	95	71	80
Mr. SHI Ling (ii)	–	–	–	–	36
Total	182	190	190	142	196

There were no other emoluments payable to the independent non-executive directors during the Relevant Periods and the nine months ended September 30, 2024.

(b) Executive directors and non-executive director

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Share-based payment expenses	Pension scheme contributions	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended December 31, 2022						
Executive directors:						
Mr. XIAO Hongxing	–	–	–	–	–	–
Ms. ZENG Hong (iii)	–	1,707	2,290	–	15	4,012
Subtotal	–	1,707	2,290	–	15	4,012
Non-executive director:						
Ms. LIU Jinchan	–	–	–	–	–	–
Supervisors:						
Mr. HUANG Jinguang (i)	–	952	697	327	52	2,028
Mr. PENG Jinghui (iv)	–	583	441	74	47	1,145
Mr. ZHOU Zhiyong (v)	–	500	247	119	44	910
Subtotal	–	2,035	1,385	520	143	4,083
Total	–	3,742	3,675	520	158	8,095

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Share-based payment expenses	Pension scheme contributions	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended December 31, 2023						
Executive directors:						
Mr. XIAO Hongxing	–	–	–	–	–	–
Ms. ZENG Hong (iii)	–	1,840	2,140	–	15	3,995
Subtotal	–	1,840	2,140	–	15	3,995
Non-executive director:						
Ms. LIU Jinchan	–	–	–	–	–	–
Supervisors:						
Mr. HUANG Jinguang (i)	–	1,171	627	679	48	2,525
Mr. PENG Jinghui (iv)	–	868	564	42	34	1,508
Mr. ZHOU zhiyong (v)	–	542	210	109	34	895
Subtotal	–	2,581	1,401	830	116	4,928
Total	–	4,421	3,541	830	131	8,923

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Share-based payment expenses	Pension scheme contributions	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended December 31, 2024						
Executive directors:						
Mr. XIAO Hongxing	–	–	–	–	–	–
Ms. ZENG Hong (iii)	–	1,720	2,266	–	19	4,005
Subtotal	–	1,720	2,266	–	19	4,005
Non-executive director:						
Ms. LIU Jinchan	–	–	–	–	–	–
Supervisors:						
Mr. HUANG Jinguang (i)	–	410	–	418	22	850
Mr. PENG Jinghui (iv)	–	1,073	909	–	53	2,035
Mr. ZHOU zhiyong (v)	–	757	351	–	53	1,161
Ms. XUE Jing (v)	–	345	81	–	37	463
Subtotal	–	2,585	1,341	418	165	4,509
Total	–	4,305	3,607	418	184	8,514

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Share-based payment expenses	Pension scheme contributions	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Nine months ended September 30, 2024 (unaudited)						
Executive directors:						
Mr. XIAO Hongxing	–	–	–	–	–	–
Ms. ZENG Hong (iii)	–	1,291	1,605	–	13	2,909
Subtotal	–	1,291	1,605	–	13	2,909
Non-executive director:						
Ms. LIU Jinchan	–	–	–	–	–	–
Supervisors:						
Mr. HUANG Jinguang (i)	–	420	314	208	22	964
Mr. PENG Jinghui (iv)	–	822	423	–	37	1,282
Mr. ZHOU zhiyong (v)	–	561	158	–	37	756
Ms. XUE Jing (v)	–	257	66	–	27	350
Subtotal	–	2,060	961	208	123	3,352
Total	–	3,351	2,566	208	136	6,261

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Share-based payment expenses	Pension scheme contributions	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Nine months ended September 30, 2025						
Executive directors:						
Mr. XIAO Hongxing	–	–	–	–	–	–
Ms. ZENG Hong (iii)	–	1,365	1,700	–	18	3,083
Mr. PENG Jinghui (iv)	–	909	682	–	52	1,643
Subtotal	–	2,274	2,382	–	70	4,726
Non-executive director:						
Ms. LIU Jinchan	–	–	–	–	–	–
Supervisors:						
Mr. ZHOU zhiyong (v)	–	286	117	–	22	425
Ms. XUE Jing (v)	–	81	–	–	10	91
Subtotal	–	367	117	–	32	516
Total	–	2,641	2,499	–	102	5,242

Notes:

(i) Mr. HUANG Jinguang resigned as a supervisor in April 2024.

(ii) Mr. SHI Ling was appointed as the independent non-executive director of the Company with effect from May 2025.

(iii) Ms. ZENG Hong was appointed as the chief executive of the Company.

(iv) Mr. PENG Jinghui was appointed as the executive director of the Company with effect from May 2025.

(v) The Company dissolved the supervisory committee with effect from May 2025.

There were no emoluments payable to the non-executive directors during the Relevant Periods and the nine months ended September 30, 2024.

There was no arrangement under which a director or a supervisor waived or agreed to waive any remuneration during the Relevant Periods and the nine months ended September 30, 2024.

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group included one director (who was also appointed as the chief executive) during the Relevant Periods and the nine months ended September 30, 2024, details of whose remuneration are set out in note 8 above. Details of the remuneration of the remaining four highest paid employees who are neither a director, chief executive nor supervisor of the Company are as follows:

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Salaries, allowances and benefits in kind	4,436	4,795	4,602	3,475	2,172
Performance related bonuses	4,038	4,070	6,448	4,495	8,058
Share-based payment expenses	3,105	3,066	1,860	1,022	2,574
Pension scheme contributions	145	140	166	123	101
Total	11,724	12,071	13,076	9,115	12,905

The number of non-director and non-supervisor highest paid employees whose remuneration fell within the following bands is as follows:

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
				(Unaudited)	
HK$2,000,001 to HK$2,500,000	–	–	–	2	–
HK$2,500,001 to HK$3,000,000	2	2	–	2	1
HK$3,000,001 to HK$3,500,000	–	1	2	–	1
HK$3,500,001 to HK$4,000,000	1	–	2	–	1
HK$4,000,001 to HK$4,500,000	–	1	–	–	1
HK$4,500,001 to HK$5,000,000	1	–	–	–	–
Total	4	4	4	4	4

10. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and/or operate.

Hong Kong

The subsidiary incorporated in Hong Kong was subject to Hong Kong profits tax at the rate of 16.5% on the estimated assessable profits arising in Hong Kong for the Relevant Periods.

Thailand

Under the investment preferential policy of the Thailand Board of Investment ("**BOI**"), The subsidiary incorporated in Thailand is exempt from taxation on the estimated assessable profits arising in Thailand, with a tax exemption ceiling of THB4,002,430,000. The preferential policy is effective from the subsidiary operation and remain valid for a period of up to 8 years.

British Virgin Islands

The subsidiary incorporated in British Virgin Islands was exempted from income tax for the Relevant Periods.

United States

The subsidiary incorporated in United States was subject to the federal corporate income tax rate at 21% for the nine months ended September 30, 2025. The subsidiary also subject to the state income tax in California at a rate of 8.84% for the nine months ended September 30, 2025.

the Chinese Mainland

Pursuant to the Corporate Income Tax Law of the PRC and the respective regulations (the "**CIT Law**"), the subsidiaries which operate in the Chinese Mainland were subject to CIT at a rate of 25% on the taxable income except those which are subject to tax concession as set out below:

(a) In 2020, the Company was accredited as a High and New Technology Enterprise ("**HNTE**") for the consecutive three years hereafter. The Company renewed the HNTE status after the expiration in 2023, and the status of the HNTE is valid until 2025. Therefore the Company was entitled to a preferential CIT rate of 15% for the Relevant Periods.

(b) In 2023, a subsidiary was accredited as an HNTE, and was entitled to a preferential CIT rate of 15% for the years ended December 31, 2023 and 2024 and the nine months ended September 30, 2025.

The income tax expenses of the Group for the Relevant Periods and the nine months ended September 30, 2024 are as follows:

	Year ended December 31,			Nine months ended September 30,	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Current income tax	31,536	75,881	111,530	78,957	91,184
Deferred income tax	(542)	6,316	(25,149)	(15,452)	8,461
Total	30,994	82,197	86,381	63,505	99,645

A reconciliation of the tax expense applicable to profit before tax at the statutory tax rate for the country in which the Company and the majority of its subsidiaries are domiciled and/or operate to the tax expense at the effective tax rate is as follows:

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Profit before tax	310,645	496,883	762,481	556,000	823,464
Tax at the statutory tax rate	46,597	74,532	114,372	83,400	123,520
Effect on different tax rates	(4,472)	307	(26)	286	(1,574)
Effect on opening deferred tax of decrease in rates	–	11,547	–	–	–
Adjustments in respect of current tax of previous periods	(847)	3	–	–	669
Expenses not deductible for tax	1,439	1,643	1,237	631	718
Additional deductible allowance for qualified research and development costs	(18,387)	(17,897)	(26,322)	(19,577)	(27,477)
Additional deductible allowance for high-tech enterprise equipment cost	(8,192)	–	–	–	–
Utilization of previously unrecognized tax losses and deductible temporary differences	(3)	(4,512)	(10,065)	(3,100)	(8,480)
Tax losses and deductible temporary differences not recognized	14,859	16,574	7,185	1,865	12,269
Tax charge at the Group's effective tax rate	30,994	82,197	86,381	63,505	99,645

11. DIVIDEND

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Final dividend in respect of the previous year, declared and paid during the following year (tax inclusive)	–	–	105,575	105,575	203,895

The final dividend of RMB2.50 per 10 ordinary share (tax inclusive) in respect of the year ended December 31, 2023 was approved by the annual general meeting of the Company, and was subsequently paid on June 28, 2024.

The final dividend of RMB4.80 per 10 ordinary share (tax inclusive) in respect of the year ended December 31, 2024 was approved by the annual general meeting of the Company, and was subsequently paid on May 29, 2025.

12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit attributable to owners of the parent, adjusted to reflect the impact of the restricted share incentive scheme, and the weighted averages number of ordinary shares outstanding during the Relevant Periods.

The calculation of the diluted earnings per share amounts is based on the profit for the year/period attributable to ordinary equity holders of the parent as used in the basic earnings per share calculation. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the year/period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computation:

	Year ended December 31,			Nine months ended September 30,	
	2022	**2023**	**2024**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Earnings					
Profit for the year/period attributable to owners of the parent, used in the basic earnings per share calculations	279,651	414,686	676,100	492,495	722,628

	Year ended December 31,			Nine months ended September 30,	
	2022	**2023**	**2024**	**2024**	**2025**
	'000	*'000*	*'000*	*'000* *(Unaudited)*	*'000*
Shares:					
Weighted average number of ordinary shares outstanding during the year/period, used in the basic earnings per share calculations	380,000	380,000	408,200	403,500	422,300
Effect of dilution – weighted average number of ordinary shares:					
Share options and other incentive schemes	–	–	41	–	328
Total	380,000	380,000	408,241	403,500	422,628

13. PROPERTY, PLANT AND EQUIPMENT

The Group

December 31, 2022	Buildings	Machinery	Tools	Others	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2022:						
Cost	705,074	1,038,985	21,175	27,743	73,203	1,866,180
Accumulated depreciation and impairment	(86,127)	(331,603)	(9,411)	(8,280)	(81)	(435,502)
Net carrying amount	618,947	707,382	11,764	19,463	73,122	1,430,678
At January 1, 2022, accumulated depreciation and impairment	618,947	707,382	11,764	19,463	73,122	1,430,678
Additions	–	131,629	893	2,885	214,185	349,592
Disposals	–	(1,536)	(59)	(237)	–	(1,832)
Transfers	18,924	187,249	1,161	1,896	(209,230)	–
Depreciation provided during the year	(26,585)	(86,890)	(2,945)	(4,986)	–	(121,406)
Impairment	–	(15,795)	(28)	(40)	(782)	(16,645)
At December 31, 2022, net of accumulated depreciation and impairment	611,286	922,039	10,786	18,981	77,295	1,640,387
At December 31, 2022:						
Cost	723,998	1,347,091	23,131	31,913	78,144	2,204,277
Accumulated depreciation and impairment	(112,712)	(425,052)	(12,345)	(12,932)	(849)	(563,890)
Net carrying amount *(note (a))*	611,286	922,039	10,786	18,981	77,295	1,640,387

December 31, 2023	Buildings	Machinery	Tools	Others	Freehold land	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2023:							
Cost	723,998	1,347,091	23,131	31,913	–	78,144	2,204,277
Accumulated depreciation and impairment	(112,712)	(425,052)	(12,345)	(12,932)	–	(849)	(563,890)
Net carrying amount	611,286	922,039	10,786	18,981	–	77,295	1,640,387
At January 1, 2023, accumulated depreciation and impairment	611,286	922,039	10,786	18,981	–	77,295	1,640,387
Additions	–	28,392	4,095	7,211	33,290	250,633	323,621
Disposals	–	(3,550)	(37)	(130)	–	–	(3,717)
Transfers	16,232	56,606	–	–	–	(72,838)	–
Depreciation provided during the year	(28,597)	(106,695)	(3,312)	(5,395)	–	–	(143,999)
Impairment	–	(729)	–	–	–	–	(729)
At December 31, 2023, net of accumulated depreciation and impairment	598,921	896,063	11,532	20,667	33,290	255,090	1,815,563
At December 31, 2023:							
Cost	740,229	1,376,297	26,857	34,824	33,290	255,090	2,466,587
Accumulated depreciation and impairment	(141,308)	(480,234)	(15,325)	(14,157)	–	–	(651,024)
Net carrying amount *(note (a))*	598,921	896,063	11,532	20,667	33,290	255,090	1,815,563

December 31, 2024	Buildings	Machinery	Tools	Others	Freehold land	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2024:							
Cost	740,229	1,376,297	26,857	34,824	33,290	255,090	2,466,587
Accumulated depreciation and impairment	(141,308)	(480,234)	(15,325)	(14,157)	–	–	(651,024)
Net carrying amount	598,921	896,063	11,532	20,667	33,290	255,090	1,815,563
At January 1, 2024, accumulated depreciation and impairment	598,921	896,063	11,532	20,667	33,290	255,090	1,815,563
Additions	7,415	44,676	1,066	8,871	6,531	844,874	913,433
Disposals	–	(792)	(57)	(81)	–	–	(930)
Transfers	139,176	211,798	3,859	5,558	–	(360,391)	–
Exchange realignment	–	–	–	9	206	–	215
Depreciation provided during the year	(28,796)	(114,559)	(3,715)	(6,392)	–	–	(153,462)
Impairment	–	(7,313)	(170)	(18)	–	–	(7,501)
At December 31, 2024, net of accumulated depreciation and impairment	716,716	1,029,873	12,515	28,614	40,027	739,573	2,567,318
At December 31, 2024:							
Cost	886,820	1,615,625	31,247	46,304	40,027	739,573	3,359,596
Accumulated depreciation and impairment	(170,104)	(585,752)	(18,732)	(17,690)	–	–	(792,278)
Net carrying amount *(note (a))*	716,716	1,029,873	12,515	28,614	40,027	739,573	2,567,318

September 30, 2025	Buildings	Machinery	Tools	Others	Freehold land	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2025:							
Cost	886,820	1,615,625	31,247	46,304	40,027	739,573	3,359,596
Accumulated depreciation and impairment	(170,104)	(585,752)	(18,732)	(17,690)	–	–	(792,278)
Net carrying amount	716,716	1,029,873	12,515	28,614	40,027	739,573	2,567,318
At January 1, 2025, accumulated depreciation and impairment	716,716	1,029,873	12,515	28,614	40,027	739,573	2,567,318
Additions	66,765	107,295	3,193	5,890	–	540,965	724,108
Disposals	(25,722)	(22,377)	(146)	(360)	–	–	(48,605)
Transfers	540,232	583,659	14,513	19,078	–	(1,157,482)	–
Exchange realignment	62	75	3	(14)	(206)	4,388	4,308
Depreciation provided during the period	(24,803)	(114,234)	(3,685)	(7,238)	–	–	(149,960)
Impairment	–	(154)	–	–	–	–	(154)
At September 30, 2025, net of accumulated depreciation and impairment	1,273,250	1,584,137	26,393	45,970	39,821	127,444	3,097,015
At September 30, 2025:							
Cost	1,468,121	2,257,729	48,204	70,317	39,821	127,444	4,011,636
Accumulated depreciation and impairment	(194,871)	(673,592)	(21,811)	(24,347)	–	–	(914,621)
Net carrying amount *(note (a))*	1,273,250	1,584,137	26,393	45,970	39,821	127,444	3,097,015

(a) Certain property, plant and equipment with net carrying amounts of approximately RMB363,243,000, RMB822,332,000, RMB914,961,000 and RMB630,557,000 as at December 31, 2022, 2023 and 2024 and September 30, 2025, respectively, were pledged as security for bank facilities granted to the Group and the sale and leaseback transactions (note 30).

The Company

December 31, 2022	Buildings	Machinery	Tools	Others	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2022:						
Cost	242,833	783,983	20,581	18,406	49,918	1,115,721
Accumulated depreciation and impairment	(80,349)	(324,265)	(9,398)	(7,662)	(81)	(421,755)
Net carrying amount	162,484	459,718	11,183	10,744	49,837	693,966
At January 1, 2022, accumulated depreciation and impairment	162,484	459,718	11,183	10,744	49,837	693,966
Additions	–	74,629	613	1,140	119,907	196,289
Disposals	–	(1,792)	(7)	(48)	–	(1,847)
Transfers	10,506	133,079	1,149	1,662	(146,396)	–
Depreciation provided during the year	(12,527)	(59,156)	(2,832)	(3,251)	–	(77,766)
Impairment	–	(15,795)	(28)	(40)	(782)	16,645
At December 31, 2022, net of accumulated depreciation and impairment	160,463	590,683	10,078	10,207	22,566	793,997
At December 31, 2022:						
Cost	253,339	980,472	22,270	20,785	23,415	1,300,281
Accumulated depreciation and impairment	(92,876)	(389,789)	(12,192)	(10,578)	(849)	(506,284)
Net carrying amount *(note (a))*	160,463	590,683	10,078	10,207	22,566	793,997

December 31, 2023	Buildings	Machinery	Tools	Others	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2023:						
Cost	253,339	980,472	22,270	20,785	23,415	1,300,281
Accumulated depreciation and impairment	(92,876)	(389,789)	(12,192)	(10,578)	(849)	(506,284)
Net carrying amount	160,463	590,683	10,078	10,207	22,566	793,997
At January 1, 2023, accumulated depreciation and impairment	160,463	590,683	10,078	10,207	22,566	793,997
Additions	–	284	3,952	6,947	80,206	91,389
Disposals	–	(3,550)	(37)	(130)	–	(3,717)
Transfers	13,782	32,197	–	–	(45,979)	–
Depreciation provided during the year	(14,418)	(71,515)	(3,142)	(3,576)	–	(92,651)
Impairment	–	(728)	–	–	–	(728)
At December 31, 2023, net of accumulated depreciation and impairment	159,827	547,371	10,851	13,448	56,793	788,290
At December 31, 2023:						
Cost	267,121	957,161	25,853	23,431	56,793	1,330,359
Accumulated depreciation and impairment	(107,294)	(409,790)	(15,002)	(9,983)	–	(542,069)
Net carrying amount *(note (a))*	159,827	547,371	10,851	13,448	56,793	788,290

December 31, 2024	Buildings	Machinery	Tools	Others	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2024:						
Cost	267,121	957,161	25,853	23,431	56,793	1,330,359
Accumulated depreciation and impairment	(107,294)	(409,790)	(15,002)	(9,983)	–	(542,069)
Net carrying amount	159,827	547,371	10,851	13,448	56,793	788,290
At January 1, 2024, accumulated depreciation and impairment	159,827	547,371	10,851	13,448	56,793	788,290
Additions	7,414	2,442	30	6,790	116,396	133,072
Disposals	–	(36,649)	(81)	(184)	–	(36,914)
Transfers	1,132	142,871	2,935	4,858	(151,796)	–
Depreciation provided during the year	(11,038)	(69,746)	(3,430)	(4,425)	–	(88,639)
Impairment	–	(6,640)	(169)	(7)	–	(6,816)
At December 31, 2024, net of accumulated depreciation and impairment	157,335	579,649	10,136	20,480	21,393	788,993
At December 31, 2024:						
Cost	275,667	955,090	28,201	31,792	21,393	1,312,143
Accumulated depreciation and impairment	(118,332)	(375,441)	(18,065)	(11,312)	–	(523,150)
Net carrying amount *(note (a))*	157,335	579,649	10,136	20,480	21,393	788,993

September 30, 2025	Buildings	Machinery	Tools	Others	Construction in progress	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2025:						
Cost	275,667	955,090	28,201	31,792	21,393	1,312,143
Accumulated depreciation and impairment	(118,332)	(375,441)	(18,065)	(11,312)	–	(523,150)
Net carrying amount	157,335	579,649	10,136	20,480	21,393	788,993
At January 1, 2025, accumulated depreciation and impairment	157,335	579,649	10,136	20,480	21,393	788,993
Additions	21,124	9,517	349	3,289	181,268	215,547
Disposals	–	(12,870)	(87)	(241)	–	(13,198)
Transfers	–	117,487	7,279	2,057	(126,823)	–
Depreciation provided during the period	(4,532)	(58,348)	(2,728)	(4,470)	–	(70,078)
Impairment	–	(154)	–	–	–	(154)
At September 30, 2025, net of accumulated depreciation and impairment	173,927	635,281	14,949	21,115	75,838	921,110
At September 30, 2025:						
Cost	296,792	1,044,517	35,226	36,331	75,838	1,488,704
Accumulated depreciation and impairment	(122,865)	(409,236)	(20,277)	(15,216)	–	(567,594)
Net carrying amount *(note (a))*	173,927	635,281	14,949	21,115	75,838	921,110

(a) Certain property, plant and equipment with net carrying amounts of approximately RMB298,865,000, RMB285,265,000, RMB265,492,000 and RMB139,584,000 as at December 31, 2022, 2023 and 2024 and September 30, 2025, respectively, were pledged as security for bank facilities granted to the Company and the sale and leaseback transactions (note 30).

14. LEASES

The Group as a lessee

The Group has lease contracts for various items of properties used in its operations. Leases of properties generally have lease terms between 2 and 50 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

The carrying amounts of the right-of-use assets and the movements during the Relevant Periods are as follows:

Year ended December 31, 2022	**Buildings**	**Land use rights**	**Total**
	RMB'000	*RMB'000*	*RMB'000*
At beginning of year	20,736	109,322	130,058
Additions	5,938	–	5,938
Depreciation charge	(13,333)	(2,323)	(15,656)
At end of year *(note (i))*	13,341	106,999	120,340

Year ended December 31, 2023	**Buildings**	**Land use rights**	**Total**
	RMB'000	*RMB'000*	*RMB'000*
At beginning of year	13,341	106,999	120,340
Additions	9,810	–	9,810
Early lease termination	(693)	–	(693)
Depreciation charge	(12,633)	(2,489)	(15,122)
At end of year *(note (i))*	9,825	104,510	114,335

Year ended December 31, 2024	**Buildings**	**Land use rights**	**Total**
	RMB'000	*RMB'000*	*RMB'000*
At beginning of year	9,825	104,510	114,335
Additions	1,047	2,364	3,411
Early lease termination	(393)	–	(393)
Depreciation charge	(10,086)	(2,318)	(12,404)
At end of year *(note (i))*	393	104,556	104,949

Nine months ended September 30, 2025	**Buildings**	**Land use rights**	**Total**
	RMB'000	*RMB'000*	*RMB'000*
At beginning of period	393	104,556	104,949
Additions	3,359	–	3,359
Exchange realignment	(24)	–	(24)
Depreciation charge	(616)	(1,777)	(2,393)
At end of period *(note (i))*	3,112	102,779	105,891

(i) Certain land use rights with net carrying amounts of approximately RMB32,115,000, RMB104,510,000, RMB104,556,000 and RMB102,779,000 as at December 31, 2022, 2023 and 2024 and September 30, 2025, respectively, was pledged as securities for bank facilities granted to the Group (note 30).

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the Relevant Periods are as follows:

	As at December 31, 2022	As at December 31, 2023	As at December 31, 2024	As at September 30, 2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At the beginning of the year/period	22,402	14,622	10,286	433
New leases	5,938	9,810	1,047	3,359
Accretion of interest recognized during the year/period *(note 7)*	924	1,318	212	41
Early lease termination	–	(737)	(416)	–
Exchange realignment	–	–	–	(23)
Payments	(14,642)	(14,727)	(10,696)	(681)
Carrying amount at the end of the year/period	14,622	10,286	433	3,129
Analyzed into:				
Current portion	14,382	9,853	433	629
Non-current portion	240	433	–	2,500

(c) The amounts recognized in profit or loss in relation to leases are as follows:

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Interest on lease liabilities *(note 7)*	924	1,318	212	140	41
Depreciation charge of right-of-use assets *(note 6)*	15,249	14,412	12,404	8,295	2,393
Expense relating to short-term leases *(note 6)*	635	258	858	525	8,112
Expense relating to leases of low-value assets *(note 6)*	110	161	378	141	160
Total amount recognized in profit or loss	16,918	16,149	13,852	9,101	10,706

15. INTANGIBLE ASSETS

The Group

December 31, 2022	Software	Licences	Total
	RMB'000	*RMB'000*	*RMB'000*
At January 1, 2022:			
Cost	30,167	1,854	32,021
Accumulated amortization	(6,290)	(402)	(6,692)
Net carrying amount	23,877	1,452	25,329
At January 1, 2022, net of accumulated amortization	23,877	1,452	25,329
Additions	10,734	–	10,734
Amortization provided during the year	(7,271)	(370)	(7,641)
At December 31, 2022, net of accumulated amortization	27,340	1,082	28,422
At December 31, 2022:			
Cost	40,901	1,854	42,755
Accumulated amortization	(13,561)	(772)	(14,333)
Net carrying amount	27,340	1,082	28,422

December 31, 2023	Software	Licences	Total
	RMB'000	*RMB'000*	*RMB'000*
At January 1, 2023:			
Cost	40,901	1,854	42,755
Accumulated amortization	(13,561)	(772)	(14,333)
Net carrying amount	27,340	1,082	28,422
At January 1, 2023, net of accumulated amortization	27,340	1,082	28,422
Additions	1,698	–	1,698
Disposals	(24)	–	(24)
Amortization provided during the year	(9,802)	(371)	(10,173)
At December 31, 2023, net of accumulated amortization	19,212	711	19,923
At December 31, 2023:			
Cost	42,575	1,854	44,429
Accumulated amortization	(23,363)	(1,143)	(24,506)
Net carrying amount	19,212	711	19,923

December 31, 2024	Software	Licences	Total
	RMB'000	*RMB'000*	*RMB'000*
At January 1, 2024:			
Cost	42,575	1,854	44,429
Accumulated amortization	(23,363)	(1,143)	(24,506)
Net carrying amount	19,212	711	19,923
At January 1, 2024, net of accumulated amortization	19,212	711	19,923
Additions	9,739	–	9,739
Amortization provided during the year	(10,596)	(371)	(10,967)
At December 31, 2024, net of accumulated amortization	18,355	340	18,695
At December 31, 2024:			
Cost	52,314	1,854	54,168
Accumulated amortization	(33,959)	(1,514)	(35,473)
Net carrying amount	18,355	340	18,695

September 30, 2025	Software	Licences	Total
	RMB'000	*RMB'000*	*RMB'000*
At January 1, 2025:			
Cost	52,314	1,854	54,168
Accumulated amortization	(33,959)	(1,514)	(35,473)
Net carrying amount	18,355	340	18,695
At January 1, 2025, net of accumulated amortization	18,355	340	18,695
Additions	10,974	–	10,974
Amortization provided during the period	(10,566)	(278)	(10,844)
Exchange realignment	(16)	–	(16)
At September 30, 2025, net of accumulated amortization	18,747	62	18,809
At September 30, 2025:			
Cost	63,269	1,854	65,123
Accumulated amortization	(44,522)	(1,792)	(46,314)
Net carrying amount	18,747	62	18,809

The Company

Software	Year ended December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of year/period				
Cost	16,916	24,978	26,675	34,440
Accumulated amortization	(5,222)	(9,646)	(16,050)	(22,788)
Net carrying amount	11,694	15,332	10,625	11,652
At beginning of year/period, net of accumulated amortization	11,694	15,332	10,625	11,652
Additions	8,062	1,697	8,189	5,643
Disposals	–	–	(165)	–
Amortization provided during the year/period	(4,424)	(6,404)	(6,997)	(6,719)
At end of year/period, net of accumulated amortization	15,332	10,625	11,652	10,576
At end of year/period:				
Cost	24,978	26,675	34,440	40,083
Accumulated amortization	(9,646)	(16,050)	(22,788)	(29,507)
Net carrying amount	15,332	10,625	11,652	10,576

16. INVESTMENTS IN SUBSIDIARIES

The Company

	Year ended December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Investment costs:				
Delton Precision Circuits (Huangshi) Inc.	400,000	400,000	580,000	680,000
Delton Numerical Control Technology (Dongguan) Co., Lltd.	30,000	100,000	100,000	100,000
Delton Technology International Limited	7,005	99,912	299,672	299,672
Total	437,005	599,912	979,672	1,079,672

17. INVESTMENT IN ASSOCIATE

The Group and the Company

	Year ended December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Share of net assets	–	–	–	12,000

Particulars of the material associate are as follows:

Name	Place of incorporation/ registration and business	Particulars of issued units held	Percentage of ownership interest attributable to the Group	Principal activity
Jiupai Hongtao Emerging Industry Venture Capital Investment Fund (Suzhou) Partnership (Limited Partnership)	PRC/the Chinese Mainland	RMB90,070,000	33.31%	Private Equity Investment and Management Firm

Jiupai Hongtao Emerging Industry Venture Capital Investment Fund (Suzhou) Partnership (Limited Partnership), which is considered a material associate of the Group and is accounted for using the equity method.

18. DEFERRED TAX

The movements in deferred tax assets of the Group during the end of each of the Relevant Periods are as follows:

Deferred tax assets

The Group

	Tax losses	Deferred income	Impairment	Unrealized internal trading profits	Others	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2022	10,051	13,338	15,516	–	4	38,909
Deferred tax credited/(charged) to the consolidated statement of profit or loss and other comprehensive income during the year	50	12,490	4,629	–	(4)	17,165
At December 31, 2022	10,101	25,828	20,145	–	–	56,074
At January 1, 2023	10,101	25,828	20,145	–	–	56,074
Deferred tax credited/(charged) to the consolidated statement of profit or loss and other comprehensive income during the year	1,868	(6,820)	(1,785)	–	1,772	(4,965)
At December 31, 2023	11,969	19,008	18,360	–	1,772	51,109
At January 1, 2024	11,969	19,008	18,360	–	1,772	51,109
Deferred tax credited to the consolidated statement of profit or loss and other comprehensive income during the year	1,191	6,001	5,684	10,258	1,409	24,543
At December 31, 2024	13,160	25,009	24,044	10,258	3,181	75,652
At January 1, 2025	13,160	25,009	24,044	10,258	3,181	75,652
Deferred tax (charged)/credited to the consolidated statement of profit or loss and other comprehensive income during the period	–	1,038	1,039	(7,084)	5,698	691
At September 30, 2025	13,160	26,047	25,083	3,174	8,879	76,343

The Company

	Deferred income	Impairment	Unrealized internal trading profits	Others	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2022	3,714	7,989	–	3	11,706
Deferred tax credited/(charged) to the statement of profit or loss and other comprehensive income during the year	6,685	4,728	–	(3)	11,410
At December 31, 2022	10,399	12,717	–	–	23,116
At January 1, 2023	10,399	12,717	–	–	23,116
Deferred tax (charged)/credited to the statement of profit or loss and other comprehensive income during the year	(319)	(1,969)	–	1,612	(676)
At December 31, 2023	10,080	10,748	–	1,612	22,440
At January 1, 2024	10,080	10,748	–	1,612	22,440
Deferred tax credited to the statement of profit or loss and other comprehensive income during the year	5,986	3,060	10,258	235	19,539
At December 31, 2024	16,066	13,808	10,258	1,847	41,979
At January 1, 2025	16,066	13,808	10,258	1,847	41,979
Deferred tax (charged)/credited to the statement of profit or loss and other comprehensive income during the period	(119)	(774)	(7,084)	6,843	(1,134)
At September 30, 2025	15,947	13,034	3,174	8,690	40,845

Deferred tax liabilities

The Group	Accelerated depreciation	Others	Total
	RMB'000	*RMB'000*	*RMB'000*
At January 1, 2022	50,938	11	50,949
Deferred tax charged/(credited) to the consolidated statements of profit or loss and other comprehensive income during the year	16,634	(11)	16,623
At December 31, 2022	67,572	–	67,572
At January 1, 2023	67,572	–	67,572
Deferred tax (credited)/charged to the consolidated statements of profit or loss and other comprehensive income during the year	(123)	1,474	1,351
At December 31, 2023	67,449	1,474	68,923
At January 1, 2024	67,449	1,474	68,923
Deferred tax charged/(credited) to the consolidated statements of profit or loss and other comprehensive income during the year	809	(1,415)	(606)
At December 31, 2024	68,258	59	68,317
At January 1, 2025	68,258	59	68,317
Deferred tax charged to the consolidated statements of profit or loss and other comprehensive income during the period	9,023	129	9,152
At September 30, 2025	77,281	188	77,469

The Company

	Accelerated depreciation	Others	Total
	RMB'000	*RMB'000*	*RMB'000*
At January 1, 2022	50,938	11	50,949
Deferred tax charged/(credited) to the statements of profit or loss and other comprehensive income during the year	16,634	(11)	16,623
At December 31, 2022	67,572	–	67,572
At January 1, 2023	67,572	–	67,572
Deferred tax (credited)/charged to the statements of profit or loss and other comprehensive income during the year	(123)	1,474	1,351
At December 31, 2023	67,449	1,474	68,923
At January 1, 2024	67,449	1,474	68,923
Deferred tax charged/(credited) to the statements of profit or loss and other comprehensive income during the year	809	(1,415)	(606)
At December 31, 2024	68,258	59	68,317
At January 1, 2025	68,258	59	68,317
Deferred tax charged to the statements of profit or loss and other comprehensive income during the period	8,921	(59)	8,862
At September 30, 2025	77,179	–	77,179

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position.

The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

The Group

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Net deferred tax assets recognized in the consolidated statement of financial position	56,074	51,109	75,652	35,208
Net deferred tax liabilities recognized in the consolidated statement of financial position	67,572	68,923	68,317	36,334

The Company

	As at December 31,			As at September 30,
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Net deferred tax assets recognized in the consolidated statement of financial position	23,116	22,440	41,979	–
Net deferred tax liabilities recognized in the consolidated statement of financial position	67,572	68,923	68,317	36,334

As at December 31, 2022, 2023 and 2024 and September 30, 2025, the Group has tax losses arising in Thailand of approximately nil, RMB2,360,000, RMB8,238,000, and RMB51,951,000, respectively, which would expire in one to five years for offsetting against future taxable profits.

As at December 31, 2022, 2023 and 2024 and September 30, 2025, the Group has tax losses arising in the Chinese Mainland of approximately RMB28,628,000, RMB70,137,000, RMB105,464,000 and RMB53,389,000, respectively, which would expire in one to ten years for offsetting against future taxable profits.

As at September 30, 2025, the Group has tax losses arising in United States of approximately RMB1,637,000, which would expire in one to twenty years for offsetting against future taxable profits.

Deferred tax assets have not been recognized in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses and deductible temporary differences can be utilized.

Deferred tax assets have not been recognized in respect of the following items:

The Group

	As at December 31,			As at September 30,
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Tax losses not recognized	28,628	72,497	113,702	106,977
Deductible temporary differences	28,079	62,826	353	15,538
Total	56,707	135,323	114,055	122,515

19. INVENTORIES

The Group

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Raw materials and consumables	28,376	44,208	71,073	131,616
Work in progress	56,042	74,260	116,499	203,457
Finished goods	164,498	160,732	156,680	194,617
Goods in transit	106,667	117,714	114,298	91,553
Total	355,583	396,914	458,550	621,243

The Company

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Raw materials and consumables	23,241	36,759	50,461	84,809
Work in progress	47,706	65,868	105,956	153,882
Finished goods	148,468	139,297	134,668	131,151
Goods in transit	94,421	107,287	99,862	59,467
Total	313,836	349,211	390,947	429,309

20. TRADE AND BILLS RECEIVABLES

The Group

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	634,633	883,879	1,226,052	1,705,921
Bills receivable	103,350	47,494	129,469	115,170
Impairment	(33,250)	(44,716)	(62,567)	(89,724)
Net carrying amount	704,733	886,657	1,292,954	1,731,367

The Company

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	520,853	762,693	1,198,392	1,683,193
Bills receivable	53,350	47,181	128,704	115,170
Impairment	(6,691)	(9,772)	(17,029)	(30,482)
Net carrying amount	567,512	800,102	1,310,067	1,767,881

The Group's trading terms with its customers are mainly on credit. The credit period is generally 90 to 120 days. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimize credit risk. Overdue balances are reviewed regularly by senior management and credit limits attributed to customers are reviewed once a month. Trade receivables are non-interest-bearing.

An aging analysis of the trade and bills receivables as at the end of each of the Relevant Periods (based on the invoice date and net of loss allowance) is as follows:

The Group

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	704,733	886,635	1,292,530	1,730,943
1 year to 2 years	–	22	424	424
Total	704,733	886,657	1,292,954	1,731,367

The Company

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	567,512	799,926	1,309,643	1,767,457
1 year to 2 years	–	176	424	424
Total	567,512	800,102	1,310,067	1,767,881

The movements in the loss allowance for impairment of trade and bills receivables are as follows:

The Group

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At the beginning of the year/period	37,700	33,250	44,716	62,567
Impairment losses, net	(3,995)	11,466	17,851	27,157
Amount written off as uncollectible	(455)	–	–	–
At the end of the year/period	33,250	44,716	62,567	89,724

The Company

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At the beginning of the year/period	12,186	6,691	9,772	17,029
Impairment losses, net	(5,040)	3,081	7,257	13,453
Amount written off as uncollectible	(455)	–	–	–
At the end of the year/period	6,691	9,772	17,029	30,482

For trade and bills receivables, the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at an amount equal to lifetime ECLs. The Group determines the ECLs on these items by using a provision matrix, estimated based on the financial quality of the debtors and historical credit loss experience based on the invoice days of the trade receivables, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. The following table details the risk profile of trade and bills receivables:

The Group

As at December 31, 2022	Gross carrying amount	Expected credit loss rate	Expected credit losses
	RMB'000		*RMB'000*
Within 1 year	737,983	5%	33,250

As at December 31, 2023	Gross carrying amount	Expected credit loss rate	Expected credit losses
	RMB'000		*RMB'000*
Within 1 year	931,343	5%	44,708
1 year to 2 years	30	27%	8
Total	931,373	5%	44,716

As at December 31, 2024	Gross carrying amount	Expected credit loss rate	Expected credit losses
	RMB'000		*RMB'000*
Within 1 year	1,354,991	5%	62,461
1 year to 2 years	530	20%	106
Total	1,355,521	5%	62,567

As at September 30, 2025	Gross carrying amount	Expected credit loss rate	Expected credit losses
	RMB'000		*RMB'000*
Within 1 year	1,820,561	5%	89,618
1 year to 2 years	530	20%	106
Total	1,821,091	5%	89,724

Certain of the Group's trade receivables with net carrying amounts of approximately RMB7,331,000, RMB28,972,000, nil and nil as at December 31, 2022, 2023 and 2024 and September 30, 2025, respectively, were pledged to secure bank facilities.

The Company

As at December 31, 2022	Gross carrying amount	Expected credit loss rate	Expected credit losses
	RMB'000		*RMB'000*
Within 1 year	574,203	1%	6,691

As at December 31, 2023	Gross carrying amount	Expected credit loss rate	Expected credit losses
	RMB'000		*RMB'000*
Within 1 year	809,690	1%	9,764
1 year to 2 years	184	4%	8
Total	809,874	1%	9,772

As at December 31, 2024	Gross carrying amount	Expected credit loss rate	Expected credit losses
	RMB'000		*RMB'000*
Within 1 year	1,326,566	1%	16,923
1 year to 2 years	530	20%	106
Total	1,327,096	1%	17,029

As at September 30, 2025	Gross carrying amount	Expected credit loss rate	Expected credit losses
	RMB'000		*RMB'000*
Within 1 year	1,797,833	2%	30,376
1 year to 2 years	530	20%	106
Total	1,798,363	2%	30,482

Certain of the Company's trade receivables with net carrying amounts of RMB7,331,000, RMB28,972,000, nil and nil as at December 31, 2022, 2023 and 2024 and September 30, 2025, respectively, were pledged to secure bank facilities.

21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

The Group

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Prepayments	5,823	10,177	73,503	55,919
Deposits	9,797	10,366	10,804	10,822
Other receivables	2,682	3,542	2,428	8,503
Value-added tax recoverable	35,156	55,497	68,075	71,702
Tax repayments	2,631	–	532	–
A shares listing expenses	3,170	5,151	–	–
H Shares listing expenses	–	–	–	14,866
Less: Non-current portion	(2,664)	(8,801)	(70,464)	(49,537)
ECL provision	(1,052)	(1,081)	(1,103)	(656)
Current portion	55,543	74,851	83,775	111,619

The Company

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Prepayments	4,975	2,999	18,292	93,182
Deposits	6,517	7,023	6,424	10,923
Other receivables	340,885	418,089	585,409	733,190
Value-added tax recoverable	13,436	14,025	25,596	22,534
Tax repayments	6,062	–	–	–
A shares listing expenses	3,170	5,151	–	–
H Shares listing expenses	–	–	–	14,866
Less: Non-current portion	(2,218)	(2,043)	(12,448)	(20,539)
ECL provision	(652)	(709)	(652)	(408)
Current portion	372,175	444,535	622,621	853,748

An impairment analysis was performed at the end of each of the Relevant Periods. The Group has applied the general approach to provide for expected credit losses for non-trade other receivables under IFRS 9. The Group considered the historical loss rate and adjusted it for forward-looking macroeconomic data in calculating the expected credit loss rate.

22. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group and the Company

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current assets				
Financial products, at fair value	–	–	291,070	191,509

The above financial assets were wealth management products issued by banks in the Chinese Mainland. 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.

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Group

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current assets				
Bills receivable, at fair value	–	13,012	1,048	1,427

The Company

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current assets				
Bills receivable, at fair value	–	13,012	1,048	1,427

The above bills receivable arising from bank acceptance are classified and measured at fair value through other comprehensive income as they are held within a business model with the objective of both collecting contractual cashflows and selling.

24. CASH AND CASH EQUIVALENTS, PLEDGED AND RESTRICTED DEPOSITS

The Group

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and bank balances	281,110	431,267	721,281	795,477
Less: Pledged and restricted deposits	(81,063)	(82,064)	(86,210)	(93,052)
Cash and cash equivalents	200,047	349,203	635,071	702,425
Denominated in USD	153,927	315,295	465,315	522,108
Denominated in RMB	42,424	28,307	154,616	160,227
Denominated in EUR	3,393	4,631	13,462	15,992
Denominated in THB	–	739	1,327	3,800
Denominated in HKD	303	231	351	298
Cash and cash equivalents	200,047	349,203	635,071	702,425

The Company

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and bank balances	226,394	261,882	427,059	573,856
Less: Pledged and restricted deposits	(81,063)	(73,378)	(62,451)	(48,116)
Cash and cash equivalents	145,331	188,504	364,608	525,740
Denominated in USD	116,674	183,553	313,403	469,782
Denominated in RMB	28,575	4,868	51,023	55,778
Denominated in HKD	82	83	182	180
Cash and cash equivalents	145,331	188,504	364,608	525,740

The RMB is not freely convertible into other currencies, however, under the Chinese Mainland'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 authorized to conduct foreign exchange business.

Certain pledged deposits are pledged for the issuance of a bank's acceptance.

Certain restricted deposits are restricted for the use for temporary land reclamation, which are required by the local government and cannot be used for daily operations.

Certain restricted deposits are restricted for frozen by judicial authority for a lawsuit case and cannot be used for daily operations.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances, pledged and restricted deposits 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.

25. TRADE AND BILLS PAYABLES

An aging analysis of the trade and bills payables as at the end of each of the Relevant Periods was as follows:

The Group

	As at December 31,			**As at September 30,**
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	972,575	1,167,047	1,610,962	2,051,190
1 to 2 years	155,320	39,957	26,853	16,889
2 to 3 years	179	14,687	4,909	6,809
Over 3 years	1,181	–	3,878	906
Total	1,129,255	1,221,691	1,646,602	2,075,794

The Company

	As at December 31,			**As at September 30,**
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	776,369	859,050	1,013,473	1,576,168
1 to 2 years	2,843	9,882	11,528	2,847
2 to 3 years	102	285	2,064	1,612
Over 3 years	1,181	–	44	81
Total	780,495	869,217	1,027,109	1,580,708

Trade payables are non-interest-bearing and are normally settled on term of 90 to 120 days.

As at the end of each of the Relevant Periods, the carrying amounts of trade and bills payables approximated to their fair values.

26. OTHER PAYABLES AND ACCRUALS

The Group

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Restricted share repurchase obligations	–	–	52,985	51,040
Advanced receipt of issue of restricted share	–	–	–	10,825
Deposits received	401	3,401	300	331
Accruals	14,317	23,217	15,864	43,182
Payroll and welfare payable	75,967	85,562	107,543	99,509
Other tax payables	3,996	3,811	3,901	8,176
Endorsed and unmatured bank bills not derecognized	60,861	14,839	86,352	22,085
Other payables	328	495	618	665
Total	155,870	131,325	267,563	235,813

The Company

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Restricted share repurchase obligations	–	–	52,985	51,040
Advanced receipt of issue of restricted share	–	–	–	10,825
Deposits received	301	3,301	200	230
Accruals	11,743	19,352	11,113	24,009
Payroll and welfare payable	62,545	73,143	89,520	62,073
Other tax payables	2,393	2,197	2,162	4,795
Endorsed and unmatured bank bills not derecognized	10,861	14,528	85,587	22,085
Other payables	206	116	204	615
Total	88,049	112,637	241,771	175,672

Other payables are unsecured and repayable on demand.

27. DERIVATIVE FINANCIAL INSTRUMENTS

The Group

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	Assets	Assets	Assets	Assets
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Derivative financial instruments without designated hedging relationships:				
Forward currency contracts	–	–	–	614

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	Liabilities	Liabilities	Liabilities	Liabilities
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Derivative financial instruments without designated hedging relationships:				
Forward currency contracts	–	1,422	8,088	–

The Company

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	Liabilities	Liabilities	Liabilities	Liabilities
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Derivative financial instruments without designated hedging relationships:				
Forward currency contracts	–	457	–	–

28. CONTRACT LIABILITIES

The Group recognized the following revenue-related contract liabilities:

The Group

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Advances from customers	9,078	6,304	7,379	12,690

The Company

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Advances from customers	1,591	779	1,586	5,266

The Group receives payments from customers based on billing schedules as established in the contracts. A portion of payments is usually received in advance of the performance under the contracts. The contract liabilities comprise the prepayments received from customers, to whom the goods or services have not yet been transferred or provided.

29. DEFERRED INCOME

The Group

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Government grants and subsidies	131,044	126,721	166,725	173,648

The Company

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Government grants and subsidies	69,327	67,203	107,109	106,311

30. INTEREST-BEARING BANK AND OTHER BORROWINGS

The Group

December 31, 2022	Effective interest rate (%)	Maturity	RMB'000
Current			
Bank loans – secured	3.15 to 3.95	2023	118,809
Current portion of long-term bank loans – secured	3.20 to 5.00	2023	9,205
Other loans – secured	2.95	2023	13,462
Current portion of other loans – secured	3.74 to 4.95	2023	45,337
Total – current			186,813
Non-current			
Long-term bank loans – secured	3.20 to 5.00	2024 to 2025	102,183
Long-term other loans – secured	3.74 to 4.95	2024 to 2025	34,508
Total – non-current			136,691
Total			323,504

December 31, 2023	Effective interest rate (%)	Maturity	RMB'000
Current			
Bank loans – secured	2.80 to 3.15	2024	57,000
Current portion of long-term bank loans – secured	3.20 to 4.85	2024	47,790
Other loans – secured	1.45 to 2.10	2024	21,712
Current portion of other loans – secured	3.74 to 4.75	2024	25,872
Total – current			152,374
Non-current			
Long-term bank loans – secured	3.20 to 4.85	2025 to 2031	222,045
Long-term other loans – secured	3.74 to 4.75	2025 to 2026	8,795
Total – non-current			230,840
Total			383,214

December 31, 2024	Effective interest rate (%)	Maturity	RMB'000
Current			
Bank loans – secured	2.20 to 2.75	2025	84,139
Current portion of long-term bank loans – secured	3.10 to 4.05	2025	112,044
Other loans – secured	1.30	2025	15,983
Current portion of other loans – secured	3.74 to 4.40	2025	8,807
Total – current			220,973
Non-current			
Long-term bank loans – secured	3.10 to 4.05	2026 to 2031	191,678
Long-term other loans – secured	3.74 to 4.40	2026	2,268
Total – non-current			193,946
Total			414,919

September 30, 2025	Effective interest rate (%)	Maturity	RMB'000
Current			
Bank loans – secured	2.25 to 2.40	2025	40,000
Bank loans – unsecured	2.11 to 2.20	2026	69,666
Current portion of long-term bank loans – secured	3.20	2025	62,662
Other loans – secured	1.32 to 1.42	2026	60,000
Total – current			232,328
Non-current			
Long-term bank loans – secured	2.40 to 4.05	2026 to 2031	333,848
Long-term other loans – secured	3.74 to 4.40	2026	2,609
Total – non-current			336,457
Total			568,785

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Analyzed into:				
Bank loans repayable:				
Within one year or on demand	128,014	104,790	196,183	172,328
In the second year	27,958	128,617	55,813	185,378
In the third year	74,225	22,919	49,418	107,000
In the fourth to fifth years, inclusive	–	52,739	64,772	16,588
Beyond five years	–	17,770	21,675	24,882
Total	230,197	326,835	387,861	506,176
Analyzed into:				
Other loans repayable:				
Within one year or on demand	58,800	47,584	24,790	60,000
In the second year	25,715	8,795	2,268	2,609
In the third year	8,792	–	–	–
Total	93,307	56,379	27,058	62,609

Certain of the Group's bank loans and other loans are secured by:

(a) Guarantees provided by Mr. XIAO Hongxing and Ms. LIU Jinchan as at December 31, 2022, 2023 and 2024, the guarantees were released as at September 30, 2025 (note 37);

(b) The Group's mortgaged buildings and machinery with net carrying amounts of RMB363,243,000, RMB822,332,000, RMB914,961,000 and RMB630,557,000 as at December 31, 2022, 2023 and 2024 and September 30, 2025 (note 13), respectively;

(c) The Group's mortgaged land use rights with net carrying amounts of RMB32,115,000, RMB104,510,000, RMB104,556,000 and RMB102,779,000 as at December 31, 2022, 2023 and 2024 and September 30, 2025 (note 14), respectively;

(d) Pledges of certain patents with carrying value of nil and nil as at December 31, 2024 and September 30, 2025, respectively.

The Company

December 31, 2022	Effective interest rate (%)	Maturity	RMB'000
Current			
Bank loans – secured	3.15 to 3.95	2023	103,658
Current portion of long-term bank loans – secured	3.20	2023	4,150
Other loans – secured	2.95	2023	13,462
Current portion of other loans – secured	4.55 to 4.95	2023	18,724
Total – current			139,994
Non-current			
Long-term bank loans – secured	3.20	2024 to 2025	77,195
Long-term other loans – secured	4.55 to 4.95	2024 to 2025	27,897
Total – non-current			105,092
Total			245,086

December 31, 2023	Effective interest rate (%)	Maturity	RMB'000
Current			
Bank loans – secured	2.80 to 3.15	2024	78,712
Current portion of long-term bank loans – secured	3.20	2024	13,473
Other loans – secured	1.45 to 2.10	2024	–
Current portion of other loans – secured	4.35 to 4.75	2024	19,243
Total – current			111,428
Non-current			
Long-term bank loans – secured	3.20	2025	71,644
Long-term other loans – secured	4.35 to 4.75	2025	8,795
Total – non-current			80,439
Total			191,867

December 31, 2024	Effective interest rate (%)	Maturity	RMB'000
Current			
Bank loans – secured	2.20 to 2.75	2025	44,139
Current portion of long-term bank loans – secured	3.20	2025	72,068
Other loans – secured	1.30	2025	55,983
Current portion of other loans – secured	4.00 to 4.40	2025	8,792
Total			180,982

September 30, 2025	Effective interest rate (%)	Maturity	RMB'000
Current			
Bank loans – secured	2.25 to 2.40	2025	40,000
Bank loans – unsecured	2.11 to 2.20	2026	69,666
Current portion of long-term bank loans – secured	3.20	2025	62,662
Total – current			172,328
Non-current			
Long-term bank loans – secured	2.40	2026 to 2027	30,000
Total – non-current			30,000
Total			202,328

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Analyzed into:				
Bank loans repayable:				
Within one year or on demand	107,808	92,185	116,207	172,328
In the second year	12,524	71,644	–	30,000
In the third year	64,671	–	–	–
Total	185,003	163,829	116,207	202,328
Analyzed into:				
Other loans repayable:				
Within one year or on demand	32,186	19,243	64,775	–
In the second year	19,105	8,795	–	–
In the third year	8,792	–	–	–
Total	60,083	28,038	64,775	–

Certain of the Company's bank loans are secured by:

(a) Guarantees provided by Mr. XIAO Hongxing and Ms. LIU Jinchan as at December 31, 2022, 2023 and 2024, the guarantees were released as at September 30, 2025 (note 37);

(b) The Company's mortgaged buildings and machinery with net carrying amounts of RMB298,865,000, RMB285,265,000, RMB265,492,000 and RMB139,584,000 as at December 31, 2022, 2023 and 2024 and September 30, 2025 (note 13), respectively;

(c) The Company's mortgaged land use rights with net carrying amounts of RMB5,688,000, RMB5,504,000, RMB5,321,000 and RMB5,183,000 as at December 31, 2022, 2023 and 2024 and September 30, 2025 (note 14), respectively; and

(d) Pledges of certain patents with carrying value of nil and nil as at December 31, 2024 and September 30, 2025, respectively.

31. SHARE CAPITAL AND TREASURY SHARES

Share capital

The Group and the Company

	As at December 31,			As at September 30,
	2022	**2023**	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Issued and fully paid:				
Ordinary shares of RMB1.00 each	380,000	380,000	425,265	425,235

A summary of movements in the Company's share capital is as follows:

	Number of shares in issue	**Share capital**
	'000	*RMB'000*
At January 1, 2022, December 31, 2022 and 2023 and January 1, 2024	380,000	380,000
Issue of shares (a)	42,300	42,300
Issue of restricted shares (b)	2,965	2,965
At December 31, 2024	425,265	425,265
At January 1, 2025	425,265	425,265
Repurchase and cancelation of forfeited restricted share (c)	(30)	(30)
At September 30, 2025	425,235	425,235

Treasury shares

The Group and the Company

	Number of shares in issue	Treasury share
	'000	*RMB'000*
At January 1, 2022, December 31, 2023 and January 1, 2024	–	–
Issue of restricted shares (b)	2,965	52,985
At December 31, 2024	2,965	52,985
At January 1, 2025	2,965	52,985
Repurchase and cancelation of forfeited restricted share (c)	(30)	(536)
Adjustment of cash dividends to restricted shares (d)	–	(656)
At September 30, 2025	2,935	51,793

(a) Upon approval by Shenzhen Stock Exchange, in connection with initial public offering of the Company on Shenzhen Stock Exchange on April 2, 2024, 42,300,000 domestic listed Renminbi ordinary shares ("**A shares**") of a par value of RMB1.00 each were issued at a price of RMB17.43 per share at a total cash consideration of RMB737,289,000.

(b) Pursuant to restricted shares incentive scheme approved by the shareholders' meeting of the Company on October 17, 2024, 2,965,000 restricted shares were granted to 222 staff at a grant price of RMB17.87 per share. The actual capital contribution received was RMB52,985,000, and the Company recognized treasury shares in the equivalent amount for the restricted shares repurchase obligations correspondingly.

(c) Under the approval and authorization of the shareholders' meeting of the Company on April 21, 2025, the Company repurchased and canceled a total of 30,000 forfeited restricted shares as these restricted shares will not be vested.

(d) The Company distributed cash dividends to restricted shares at RMB4.8 per 10 shares (tax inclusive) which were revocable. The cash dividends amount of RMB656,000 which relating to the restricted shares expected to be vested in the future, were treated as a distribution deducted from equity, and the Company reduced treasury shares and restricted shares repurchase obligations correspondingly by the equivalent amount.

32. SHARE-BASED PAYMENTS

Employee incentive platforms

To provide incentives and rewards to eligible participants who contribute to the Group's operation, the Company, has designed and established employee incentive platforms for the Company to operate restricted share incentive schemes (the "**Schemes**"). In order to implement the Schemes, Shenzhen Guangxie Investment Enterprise (Limited Partnership) ("**Guangxie**"), Shenzhen Guangsheng Investment Enterprise (Limited Partnership) ("**Guangsheng**") and Shenzhen Guangcai Investment Enterprise (Limited Partnership) ("**Guangcai**") were designated as share incentive platforms to hold the shares specially awarded to the eligible participants as the ultimate beneficial owners. The Group has no control over the share incentive platforms. After the grant of the awards, the participants became partners of employee incentive platforms and are indirectly interested in the incentive shares under the terms and conditions contained in the relevant agreements.

In December 2017, the Company granted the Group's employees with restricted shares of Guangsheng and Guangcai ("**Share incentive scheme I**"), and the initial subscription prices were between RMB2.00 to RMB2.24 per share of the Company. The restricted shares granted to the employees under the Share incentive scheme I should be vested and exercisable upon completion of a five-year service period.

In December 2018, the Company granted the Group's employees with restricted shares of Guangsheng and Guangcai ("**Share incentive scheme II**"), and the initial subscription prices were between RMB2.00 to RMB2.40 per share of the Company. The restricted shares granted to the employees under the Share incentive scheme II should be vested and exercisable upon completion of a five-year service period.

In June 2019, the Company granted the Group's employees with restricted shares of Guangsheng and Guangcai ("**Share incentive scheme III**"), and the initial subscription price was RMB2.24 per share of the Company. The restricted shares granted to the employees under the Share incentive scheme III should be vested and exercisable upon completion of a five-year service period.

In September 2019, the Company granted the Group's employees with restricted shares of Guangsheng ("**Share incentive scheme IV**"), and the initial subscription price was RMB2.69 per share of the Company. The restricted shares granted to the employees under the Share incentive scheme IV should be vested and exercisable upon completion of a five-year service period.

Restricted share incentive scheme

In November 2024, the Company implemented a restricted share incentive scheme which are subject to restrictions on transfer, termination and such other limitations set forth in the plan. 2,965,000 restricted shares of the Company were granted to 222 staffs at the initial subscription price of RMB17.87 per share under the first grant under the restricted share incentive scheme. According to the Group's performance appraisal, the Company or the subsidiaries performance appraisal and individual performance appraisal for the three years ended December 31, 2024, 2025 and 2026, 40%, 30% and 30% of restricted share incentive scheme will be unlocked respectively.

In September 2025, 635,000 reserved restricted shares of the Company were granted to 78 staffs at the initial subscription price of RMB17.39 per share under the restricted share incentive scheme. According to the Group's performance appraisal, the Company or the subsidiaries performance appraisal and individual performance appraisal for the two years ended December 31, 2025 and 2026, 50% and 50% of restricted share incentive scheme will be unlocked respectively.

Stock option incentive plan

In November 2024, the Company implemented a stock option incentive plan, 2,965,000 stock option were granted to 222 staffs with an exercise price of RMB35.73. According to the Group's performance appraisal, the Company or the subsidiaries performance appraisal and individual performance appraisal for the three years ended December 31, 2024, 2025 and 2026, 40%, 30% and 30% of stock option would be vested and exercisable within the following years respectively.

In September 2025, 635,000 reserved stock option were granted to 78 staffs with an exercise price of RMB35.25. According to the Group's performance appraisal, the Company or the subsidiaries performance appraisal and individual performance appraisal for the two years ended December 31, 2025 and 2026, 50% and 50% of stock option would be vested and exercisable within the following years, respectively.

Movements in the number of restricted shares for the Relevant Periods are as follows:

	Year ended December 31,			**Nine months ended September 30,**
	2022	**2023**	**2024**	**2025**
	'000	*'000*	*'000*	*'000*
At beginning of the year/period	29,684	20,426	13,896	3,920
Granted	–	231	2,965	635
Forfeited	–	(231)	–	(30)
Exercised	(9,258)	(6,530)	(12,941)	(723)
At end of the year/period	20,426	13,896	3,920	3,802

Movement in the number of share option for the Relevant Periods is as follows:

	Year ended December 31, 2024		Nine months ended September 30, 2025	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
	RMB	*'000*	*RMB*	*'000*
At beginning of the year	–	–	35.73	2,965
Granted	35.73	2,965	35.25	635
Forfeited	–	–	35.25	(30)
At end of the year	35.73	2,965	35.25	3,570

No share option was exercised during the Relevant Periods.

The exercise price and exercise period of the share options outstanding as at the end of the reporting period are as follows:

December 31, 2024

Number of options	Exercise price	Exercise period
'000	*RMB*	
2,965	35.73	2025–2029

September 30, 2025

Number of options	Exercise price	Exercise period
'000	*RMB*	
3,570	35.25	2025–2029

Share-based payment expenses during the Relevant Periods are as follows:

2024

	Year ended December 31,			Nine months ended September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Restricted shares granted by the Company under the plans	7,392	6,554	11,803	31,806
Share options granted under the plan	–	–	3,583	13,476
Total	7,392	6,554	15,386	45,282

The fair value of equity-settled share options granted during the Relevant Periods, was estimated as at the date of grant using a Black-Scholes model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

Stock option incentive plan	**Year ended December 31, 2024**	**Nine months ended September 30, 2025**
Dividend yield (%)	0.00	0.00
Expected volatility (%)	22.01–28.03	37.39–41.71
Historical volatility (%)	22.01–28.03	37.39–41.71
Risk-free interest rate (%)	1.50–2.75	1.49–1.51
Share price at grant date per share (RMB per share)	44.98	85.12

No other feature of the options granted was incorporated into the measurement of fair value.

33. RESERVES

The Group

The amounts of the Group's reserves and the movements therein for the Relevant Periods are presented in the consolidated statements of changes in equity.

(a) Capital reserve

The capital reserve of the Group includes the share premium contributed by the shareholders of the Company.

(b) Statutory reserve

In accordance with the PRC Company Law and the articles of association of the Company and the subsidiaries established in the PRC, the Group is required to appropriate 10% of its net profits after tax, as determined under the Chinese Accounting Standards, to the statutory reserve until the reserve balance reaches 50% of its registered capital. Subject to certain restrictions set out in the relevant PRC regulations and in the articles of association of the Company and the subsidiaries, the statutory reserve may be used either to offset losses, or to be converted to increase paid-in capital, provided that the balance after such conversion is not less than 25% of the registered capital of the respective entities. The reserve cannot be used for purposes other than those for which it is created and is not distributable as cash dividends.

(c) Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of companies of which the functional currencies are not RMB. The reserve is dealt with in accordance with the accounting policy set out in note 2.3.

(d) Special reserve – safety fund

Pursuant to the revised Measures for the Extraction and Use of Enterprise Safety Production Funds issued in November 2022, the Group is required to set aside an amount to maintenance, production and other similar funds. The funds can be used for maintenance of production and improvements of safety and are not available for distribution to shareholders.

The Company

	Capital reserve	Share-based payment reserve	Special reserve – safety fund	Statutory reserve	Retained profits	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2022	553,047	78,869	–	19,569	176,118	827,603
Profit for the year	–	–	–	–	288,876	288,876
Share-based payments	–	7,392	–	–	–	7,392
Profit appropriations to statutory reserve	–	–	–	28,888	(28,888)	–
At December 31, 2022 and January 1, 2023	553,047	86,261	–	48,457	436,106	1,123,871
Profit for the year	–	–	–	–	448,238	448,238
Share-based payments	–	6,554	–	–	–	6,554
Profit appropriations to statutory reserve	–	–	–	44,824	(44,824)	–
Profit appropriations to safety fund	–	–	4,362	–	(4,362)	–
At December 31, 2023 and January 1, 2024	553,047	92,815	4,362	93,281	835,158	1,578,663
Profit for the year	–	–	–	–	703,132	703,132
Share-based payments	–	15,386	–	–	–	15,386
Profit appropriations to statutory reserve	–	–	–	70,313	(70,313)	–
Profit appropriations to safety fund	–	–	4,609	–	(4,609)	–
Issue of shares	611,159	–	–	–	–	611,159
Issue of restricted shares	50,020	–	–	–	–	50,020
Dividend declared *(note 11)*	–	–	–	–	(105,575)	(105,575)
At December 31, 2024 and January 1, 2025	1,214,226	108,201	8,971	163,594	1,357,793	2,852,785
Profit for the period	–	–	–	–	672,467	672,467
Share-based payments	–	45,282	–	–	–	45,282
Profit appropriations to safety fund	–	–	2,966	–	(2,966)	–
Repurchase and cancelation of forfeited restricted shares	(506)	–	–	–	–	(506)
Dividend declared *(note 11)*	–	–	–	–	(203,895)	(203,895)
As at September 30, 2025	1,213,720	153,483	11,937	163,594	1,823,399	3,366,133

34. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the years ended December 31, 2022, 2023 and 2024 and nine months ended September 30, 2024 and September 30, 2025, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB5,938,000, RMB9,810,000, RMB1,047,000, RMB707,000 (unaudited) and RMB3,359,000, respectively, in respect of lease arrangements for properties.

(b) Changes in liabilities arising from financing activities

	Interest-bearing bank and other loans	Lease liabilities	Dividend payable	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2022	229,547	22,402	–	251,949
Additions	423,991	5,938	–	429,929
Payment	(277,787)	(14,642)	–	(292,429)
Non-cash settlement of other loans*	(50,544)	–	–	(50,544)
Interest paid	(12,445)	–	–	(12,445)
Interest expense*(note 7)*	10,742	924	–	11,666
At December 31, 2022	323,504	14,622	–	338,126
At January 1, 2023	323,504	14,622	–	338,126
Additions	320,369	9,810	–	330,179
Payment	(246,824)	(14,727)	–	(261,551)
Non-cash settlement of other loans*	(13,462)	–	–	(13,462)
Early termination	–	(737)	–	(737)
Interest paid	(12,982)	–	–	(12,982)
Interest capitalized *(note 7)*	(465)	–	–	(465)
Interest expense *(note 7)*	13,074	1,318	–	14,392
At December 31, 2023	383,214	10,286	–	393,500
At January 1, 2024	383,214	10,286	–	393,500
Additions	220,801	1,047	–	221,848
Payment	(193,105)	(10,696)	–	(203,801)
Non-cash settlement of other loans*	2,303	–	–	2,303
Early termination	–	(416)	–	(416)
Interest paid	(13,949)	–	–	(13,949)
Interest capitalized *(note 7)*	(458)	–	–	(458)
Interest expense *(note 7)*	16,113	212	–	16,325
Dividend declared *(note 11)*	–	–	105,575	105,575
Dividend paid *(note 11)*	–	–	(105,575)	(105,575)
At December 31, 2024	414,919	433	–	415,352

	Interest-bearing bank and other loans	Lease liabilities	Dividend payable	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At January 1, 2024	383,214	10,286	–	393,500
Additions (Unaudited)	134,069	707	–	134,776
Payment (Unaudited)	(115,420)	(8,398)	–	(123,818)
Non-cash settlement of other loans* (Unaudited)	–	–	–	–
Early termination (Unaudited)	–	–	–	–
Interest paid (Unaudited)	(11,942)	–	–	(11,942)
Interest capitalized (Unaudited) *(note 7)*	(458)	–	–	(458)
Interest expense (Unaudited) *(note 7)*	12,260	140	–	12,400
Dividend declared (Unaudited) *(note 11)*	–	–	105,575	105,575
Dividend paid (Unaudited) *(note 11)*	–	–	(105,575)	(105,575)
At September 30, 2024 (Unaudited)	401,723	2,735	–	404,458
At January 1, 2025	414,919	433	–	415,352
Additions	268,904	3,359	–	272,263
Payment	(115,020)	(681)	–	(115,701)
Non-cash settlement of other loans*	(2,372)	–	–	(2,372)
Exchange realignment	–	(23)	–	(23)
Interest paid	(12,071)	–	–	(12,071)
Interest expense *(note 7)*	14,425	41	–	14,466
Dividend declared *(note 11)*	–	–	203,895	203,895
Dividend paid *(note 11)*	–	–	(203,895)	(203,895)
At September 30, 2025	568,785	3,129	–	571,914

* The non-cash settlement of other loans comprises (i) the settlement of other loans arising from endorsed bills receivable that are not derecognized and (ii) the netting of refundable sale and leaseback deposits against lease payments payable.

(c) Total cash outflow for leases

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(unaudited)*	*RMB'000*
Within operating activities	635	258	858	525	8,112
Within financing activities	14,642	14,727	10,696	8,398	681
Total	15,277	14,985	11,554	8,923	8,793

35. CONTINGENT LIABILITIES

Delton Numerical Control Technology (Dongguan) Co., Ltd. ("**Delton Dongguan**"), a subsidiary of the Company, was an owner of a construction project for the Group's dongguan facility in Guangzhou base. The general contractor of the project was currently a defendant in a lawsuit, Delton Dongguan was as a co-defendant. Up to the date of this report, the lawsuit is in process.

The Group is of the view that the lawsuit is still at an early stage, the outcome of this case is subject to a high degree of uncertainty and cannot be measured reliably. Therefore, the Group has not provided for any claim arising from the lawsuit, other than the related legal and other costs.

36. PLEDGE OF ASSETS

Details of the Group's assets pledged are included in notes 13, 14, 20 and 24 to the Historical Financial Information at the end of each of the Relevant Periods.

37. COMMITMENTS

The Group had the following contractual commitments at the end of each of the Relevant Periods:

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Construction in progress	193,960	107,011	179,265	273,759

38. RELATED PARTY TRANSACTIONS

(a) Names and relationships

Name of related parties	Relationship with the Group
Mr. XIAO Hongxing	An ultimate controlling shareholder of the Company and an executive director
Ms. LIU Jinchan	An ultimate controlling shareholder of the Company and a director
Guangzhou Zhenyun Investment Co., Ltd.	Shareholder of the Company with more than 5% of direct shareholding
Shenzhen Guangxie Investment Enterprise (Limited Partnership)	Shareholder of the Company with more than 5% of direct shareholding
Shenzhen Guangsheng Investment Enterprise (Limited Partnership)	Shareholder of the Company with more than 5% of direct shareholding
Shenzhen Guangcai Investment Enterprise (Limited Partnership)	Shareholder of the Company with more than 5% of direct shareholding
Dongguan Guanghua Chemical Industry Co., Ltd.	Controlled by an ultimate controlling person of the Company
Dongguan Superb Electronic Materials Co., Ltd.	Controlled by an ultimate controlling person of the Company
Dongguan Guanghua Environmental Protection Technology Co., Ltd.	Controlled by an ultimate controlling person of the Company
Dongguan Longbo Automation Equipment Co., Ltd.	Entity with more than 5% of shares held by an ultimate controlling person of the Company

(b) The Group had the following transactions with related parties during the Relevant Periods and the nine months ended September 30, 2024:

	As at December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Purchases of goods and services *(note i)*					
Dongguan Superb Electronic Materials Co., Ltd.	7,401	10,974	14,548	10,900	14,502
Dongguan Guanghua Environmental Protection Technology Co., Ltd.	9,369	5,787	6,686	3,815	9,208
Dongguan Guanghua Chemical Industry Co., Ltd.	7	–	–	–	–
Total	16,777	16,761	21,234	14,715	23,710

(i) The purchases from the related parties were made according to the published prices and conditions offered by the related parties to their major customers. The credit terms granted by the related parties were generally in line with the credit terms granted to their major customers.

(c) Details of guarantees by the related parties:

The Group as the secured party:

	As at December 31, 2022		
	RMB'000	Effective period	Fulfilled
Mr. XIAO Hongxing	13,917	2022–2023	No
Mr. XIAO Hongxing	33,134	2022–2024	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	42,878	2022–2023	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	24,943	2022–2023	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	5,181	2022–2023	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	188,649	2022–2023	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	56,957	2022–2023	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	49,551	2022–2023	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	41,380	2022–2025	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	5,000	2022–2025	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	29,993	2022–2025	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	15,151	2022–2023	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	63,879	2022–2023	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	15,482	2022–2023	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	24,000	2022–2023	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	24,000	2022–2023	No
Total	634,095		

	As at December 31, 2023		
	RMB'000	Effective period	Fulfilled
Mr. XIAO Hongxing	20,945	2023–2024	No
Mr. XIAO Hongxing	26,710	2023–2024	No
Mr. XIAO Hongxing	28,025	2023–2024	No
Mr. XIAO Hongxing	65,572	2023–2024	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	30,000	2023–2024	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	14,000	2023–2024	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	6,610	2022–2024	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	37,597	2023–2024	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	6,910	2023–2024	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	37,597	2023–2024	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	100,960	2023–2024	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	126,982	2023–2024	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	13,000	2023–2024	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	25,092	2022–2025	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	2,800	2022–2025	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	51,334	2023–2031	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	74,507	2023–2028	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	58,878	2022–2025	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	85,116	2022–2025	No
Total	812,635		

	As at December 31, 2024		
	RMB'000	Effective period	Fulfilled
Mr. XIAO Hongxing	20,000	2024–2025	No
Mr. XIAO Hongxing	44,000	2024–2025	No
Mr. XIAO Hongxing	17,808	2024–2025	No
Mr. XIAO Hongxing	63,127	2024–2025	No
Mr. XIAO Hongxing	7,253	2024–2025	No
Mr. XIAO Hongxing	14,076	2024–2025	No
Mr. XIAO Hongxing	16,684	2024–2025	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	71,643	2022–2025	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	103,676	2022–2031	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	97,085	2023–2023	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	20,000	2024–2025	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	825	2022–2025	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	7,967	2022–2025	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	22,371	2024–2025	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	114,470	2024–2025	No
Mr. XIAO Hongxing, Ms. LIU Jinchan	21,096	2024–2025	No
Total	642,081		

The guarantees granted by related parties were released as at September 30, 2025.

(d) Outstanding balances with related parties as at December 31, 2022, 2023 and 2024 and September 30, 2025:

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills payables				
Dongguan Guanghua Chemical Industry Co., Ltd.	38	38	–	–
Dongguan Longbo Automation Equipment Co., Ltd.	11	11	11	–
Dongguan Superb Electronic Materials Co., Ltd.	4,413	6,942	5,831	5,595
Dongguan Guanghua Environmental Protection Technology Co., Ltd.	–	180	–	–
Total	4,462	7,171	5,842	5,595
Other payables and accruals				
Dongguan Guanghua Environmental Protection Technology Co., Ltd.	492	578	1,415	2,477

As at December 31, 2022, 2023 and 2024 and September 30, 2025 all the outstanding balances with related parties were trade in nature.

(e) Compensation of key management personnel of the Group:

	Year ended December 31,			Nine months ended September 30,	
	2022	2023	2024	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Short term employee benefits	20,898	21,277	22,966	16,396	15,859
Share-based payment expenses	4,879	5,042	2,861	1,872	60
Total	25,777	26,319	25,827	18,268	15,919

Further details of directors' and supervisors' emoluments are included in note 8 to the Historical Financial Information.

39. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments at the end of each of the Relevant Periods were as follows:

As at December 31, 2022

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortized cost	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills receivables	–	–	704,733	704,733
Financial assets included in prepayments, other receivables and other assets	–	–	10,414	10,414
Pledged and restricted deposits	–	–	81,063	81,063
Cash and cash equivalents	–	–	200,047	200,047
Total	–	–	996,257	996,257

Financial liabilities

	Financial liabilities at amortized cost
	RMB'000
Trade and bills payables	1,129,255
Financial liabilities included in other payables and accruals	75,907
Interest-bearing bank and other borrowings	323,504
Total	1,528,666

As at December 31, 2023

Financial assets

	Financial assets at fair value through other comprehensive income	Financial assets at amortized cost	Total
	RMB'000	*RMB'000*	*RMB'000*
Financial assets at fair value through other comprehensive income	13,012	–	13,012
Trade and bills receivables	–	886,657	886,657
Financial assets included in prepayments, other receivables and other assets	–	10,741	10,741
Pledged and restricted deposits	–	82,064	82,064
Cash and cash equivalents	–	349,203	349,203
Total	13,012	1,328,665	1,341,677

Financial liabilities

	Financial liabilities at amortized cost
	RMB'000
Trade and bills payables	1,221,691
Financial liabilities included in other payables and accruals	41,952
Derivative financial instruments	1,422
Interest-bearing bank and other borrowings	383,214
Total	1,648,279

As at December 31, 2024

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortized cost	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	291,070	–	–	291,070
Financial assets at fair value through other comprehensive income	–	1,048	~	1,048
Trade and bills receivables	–	–	1,292,954	1,292,954
Financial assets included in prepayments, other receivables and other assets	–	–	10,840	10,840
Pledged and restricted deposits	–	–	86,210	86,210
Cash and cash equivalents	–	–	635,071	635,071
Total	291,070	1,048	2,025,075	2,317,193

Financial liabilities

	Financial liabilities at amortized cost
	RMB'000
Trade and bills payables	1,646,602
Financial liabilities included in other payables and accruals	156,119
Derivative financial instruments	8,088
Interest-bearing bank and other borrowings	414,919
Total	2,225,728

As at September 30, 2025

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortized cost	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	191,509	–	–	191,509
Derivative financial instruments	614	–	–	614
Financial assets at fair value through other comprehensive income	–	1,427	–	1,427
Trade and bills receivables	–	–	1,731,367	1,731,367
Financial assets included in prepayments, other receivables and other assets	–	–	6,235	6,235
Pledged and restricted deposits	–	–	93,052	93,052
Cash and cash equivalents	–	–	702,425	702,425
Total	192,123	1,427	2,533,079	2,726,629

Financial liabilities

	Financial liabilities at amortized cost
	RMB'000
Trade and bills payables	2,075,794
Financial liabilities included in other payables and accruals	117,303
Interest-bearing bank and other borrowings	568,785
Total	2,761,882

Transfers of financial assets

Transferred financial assets that are not derecognized in their entirety

At December 31, 2022, 2023 and 2024 and September 30, 2025, the Group endorsed certain bills receivable in the Chinese Mainland (the "**Endorsed Bills**") with carrying amounts of RMB74,323,000, RMB36,551,000, RMB102,335,000 and RMB22,085,000, respectively, to certain of its suppliers in order to settle the trade payables due to such suppliers (the "**Endorsement**"). In the opinion of the directors, the Group has retained the substantial risks and rewards, which include default risks relating to such Endorsed Bills, and accordingly, it continued to recognize the full carrying amounts of the Endorsed Bills and the associated trade payables settled. Subsequent to the Endorsement, the Group did not retain any rights on the use of the Endorsed Bills, including the sale, transfer or pledge of the Endorsed Bills to any other third parties.

Transferred financial assets that are derecognized in their entirety

At December 31, 2022, 2023 and 2024 and September 30, 2025, the Group endorsed certain bills receivable accepted by banks in the Chinese Mainland (the "**Derecognized Bills**") to certain of its suppliers in order to settle the trade payables due to such suppliers with carrying amounts in aggregate of RMB16,779,000, RMB20,243,000, RMB17,447,000 and RMB101,438,000. The Derecognized Bills maturity of one to six months at the end of the Relevant Periods. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognized Bills may exercise the right of recourse against any, several or all of the persons liable for the Derecognized Bills, including the Group, in disregard of the order of precedence (the "**Continuing Involvement**"). In the opinion of the directors, the risk of the Group being claimed by the holders of the Derecognized Bills is remote in the absence of a default of the accepted banks. The Group has transferred substantially all risks and rewards relating to the Derecognized Bills. Accordingly, it has derecognized the full carrying amounts of the Derecognized Bills and the associated trade payables. The maximum exposure to loss from the Group's Continuing Involvement in the Derecognized Bills and the undiscounted cash flows to repurchase these Derecognized Bills is equal to their carrying amounts. In the opinion of the directors, the fair values of the Group's Continuing Involvement in the Derecognized Bills are not significant.

During the Relevant Periods, the Group has recognized a loss on the date of transfer of the Derecognized Bills of approximately nil, RMB50,000, nil and RMB7,000, respectively. No gains or losses were recognized from the Continuing Involvement, both during the Relevant Periods or cumulatively. The endorsement has been made evenly throughout the Relevant Periods.

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, trade and bills receivables, financial assets included in other receivables, pledged and restricted deposits, and other assets, interest-bearing bank and other borrowings (current portion), trade and bills payables, and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance team headed by the chief finance controller is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance team reports directly to the finance head. At each reporting date, the finance team analyzes 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 finance head.

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 carrying amounts and fair values of the Group's financial instruments are as follows:

As at December 31, 2022

	Carrying amounts	**Fair values**
	RMB'000	*RMB'000*
Financial liabilities		
Interest-bearing bank and other borrowings	323,504	313,166

As at December 31, 2023

	Carrying amounts	Fair values
	RMB'000	*RMB'000*
Financial assets		
Financial assets at fair value through other comprehensive income	13,012	13,012
Financial liabilities		
Derivative financial instruments	1,422	1,422
Interest-bearing bank and other borrowings	383,214	371,824
Total	384,636	373,246

As at December 31, 2024

	Carrying amounts	Fair values
	RMB'000	*RMB'000*
Financial assets		
Financial assets at fair value through other comprehensive income	1,048	1,048
Financial assets at fair value through profit or loss	291,070	291,070
Total	292,118	292,118
Financial liabilities		
Derivative financial instruments	8,088	8,088
Interest-bearing bank and other borrowings	414,919	399,509
Total	423,007	407,597

As at September 30, 2025

	Carrying amounts	Fair values
	RMB'000	*RMB'000*
Financial assets		
Financial assets at fair value through other comprehensive income	1,427	1,427
Derivative financial instruments	614	614
Financial assets at fair value through profit or loss	191,509	191,509
Total	193,550	193,550
Financial liabilities		
Interest-bearing bank and other borrowings	568,785	574,860
Total	568,785	574,860

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments.

Assets measured at fair value

As at December 31, 2022

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant Unobservable inputs (Level 3)**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills receivables . . .	–	704,733	–	704,733

As at December 31, 2023

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through other comprehensive income	–	13,012	–	13,012
Trade and bills receivables . . .	–	886,657	–	886,657
Total.	–	899,669	–	899,669

As at December 31, 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through other comprehensive income	–	1,048	–	1,048
Financial assets at fair value through profit or loss	–	291,070	–	291,070
Trade and bills receivables . . .	–	1,292,954	–	1,292,954
Total.	–	1,585,072	–	1,585,072

As at September 30, 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through other comprehensive income	–	1,427	–	1,427
Derivative financial instruments	–	614	–	614
Financial assets at fair value through profit or loss	–	191,509	–	191,509
Trade and bills receivables	–	1,731,367	–	1,731,367
Total	–	1,924,917	–	1,924,917

Liabilities measured at fair value

As at December 31, 2023

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Derivative financial instruments	–	1,422	–	1,422

As at December 31, 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Derivative financial instruments	–	8,088	–	8,088

During the Relevant Periods, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial assets.

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing bank loans, finance assets at fair value through profit or loss 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 summarized below.

Interest rate risk

The Group's exposure to the risk of changes in interest rates relates primarily to the Group's debt obligations in RMB with floating interest rates.

The Group's policy is to manage its interest costs using a mix of fixed and floating rate debts with respect to the prevailing interest rate environment. The Group mitigates the risk by monitoring closely the movements in interest rates and reviewing its banking facilities regularly. The Group has not used any interest rate swap to hedge its exposure to interest rate risk.

If interest rates had been 100 basis points higher/lower with all other variables held constant, the post-tax profit for the year would have been decreased/increased by RMB2,671,000, RMB3,150,000 and RMB3,194,000 and RMB4,846,000 at December 31, 2022, 2023 and 2024 and September 30, 2025, respectively.

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units and investing and financing activities by investment holding units in currencies other than the units' functional currencies.

The following table demonstrates the sensitivity at the end of each of the Relevant Periods to a reasonably possible change in the foreign exchange rates, with all other variables held constant, of the Group's profit after tax.

	(Decrease)/ increase in foreign currency rate	Increase/ (decrease) in profit after tax
	%	*RMB'000*
As at December 31, 2022		
If the RMB weakens against the USD	(10)	51,700
If the RMB strengthens against the USD	10	(51,700)
If the RMB weakens against the EUR	(10)	305
If the RMB strengthens against the EUR	10	(305)
As at December 31, 2023		
If the RMB weakens against the USD	(10)	79,677
If the RMB strengthens against the USD	10	(79,677)
If the RMB weakens against the EUR	(10)	421
If the RMB strengthens against the EUR	10	(421)

	(Decrease)/ increase in foreign currency rate	Increase/ (decrease) in profit after tax
	%	*RMB'000*
As at December 31, 2024		
If the RMB weakens against the USD	(10)	82,726
If the RMB strengthens against the USD	10	(82,726)
If the RMB weakens against the EUR	(10)	1,135
If the RMB strengthens against the EUR	10	(1,135)
As at September 30, 2025		
If the RMB weakens against the USD	(10)	166,779
If the RMB strengthens against the USD	10	(166,779)
If the RMB weakens against the EUR	(10)	1,298
If the RMB strengthens against the EUR	10	(1,298)

Credit risk

An impairment analysis was performed at end of each of the Relevant Periods using a provision matrix to measure expected credit losses. The provision rates are based on aging for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Maximum exposure and year-end staging

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on aging information unless other information is available without undue cost or effort, and year-end staging classification as at the end of each of the Relevant Periods. The amounts presented are gross carrying amounts for financial assets.

As at December 31, 2022

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills receivables	74,323	–	–	630,410	704,733
Financial assets included in prepayments, other receivables and other assets	10,414	–	–	–	10,414
Pledged and restricted deposits	81,063	–	–	–	81,063
Cash and cash equivalents	200,047	–	–	–	200,047
Total	365,847	–	–	630,410	996,257

As at December 31, 2023

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills receivables	37,192	–	–	849,465	886,657
Financial assets included in prepayments, other receivables and other assets	10,741	–	–	–	10,741
Pledged and restricted deposits	82,064	–	–	–	82,064
Cash and cash equivalents	349,203	–	–	–	349,203
Total	479,200	–	–	849,465	1,328,665

As at December 31, 2024

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills receivables	105,765	–	–	1,187,189	1,292,954
Financial assets included in prepayments, other receivables and other assets	10,840	–	–	–	10,840
Pledged and restricted deposits	86,210	–	–	–	86,210
Cash and cash equivalents	635,071	–	–	–	635,071
Total	837,886	–	–	1,187,189	2,025,075

As at September 30, 2025

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills receivables	22,099	–	–	1,709,268	1,731,367
Financial assets included in prepayments, other receivables and other assets	6,235	–	–	–	6,235
Pledged and restricted deposits	93,052	–	–	–	93,052
Cash and cash equivalents	702,425	–	–	–	702,425
Total	828,398	–	–	1,709,268	2,533,079

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade and bills receivables) and projected cash flows from operations.

The maturity profile of the Group's financial liabilities and lease liabilities as at end of each of the Relevant Periods, based on the contractual undiscounted payments, is as follows:

As at December 31, 2022

	Less than 1 year	1 to 3 years	Over 3 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Interest-bearing bank and other borrowings	180,069	150,609	–	330,678
Trade and bills payables	1,129,255	–	–	1,129,255
Other payables and accruals	75,907	–	–	75,907
Lease liabilities	14,697	243	–	14,940
Total	1,399,928	150,852	–	1,550,780

As at December 31, 2023

	Less than 1 year	1 to 3 years	Over 3 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Interest-bearing bank and other borrowings	161,797	166,344	71,827	399,968
Derivative financial instruments	1,422	–	–	1,422
Trade and bills payables	1,221,691	–	–	1,221,691
Other payables and accruals	41,952	–	–	41,952
Lease liabilities	10,049	438	–	10,487
Total	1,436,911	166,782	71,827	1,675,520

As at December 31, 2024

	Less than 1 year	1 to 3 years	Over 3 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Interest-bearing bank and other borrowings	229,809	108,631	85,982	424,422
Derivative financial instruments	8,088	–	–	8,088
Trade and bills payables	1,646,602	–	–	1,646,602
Other payables and accruals	156,119	–	–	156,119
Lease liabilities	438	–	–	438
Total	2,041,056	108,631	85,982	2,235,669

As at September 30, 2025

	Less than 1 year	1 to 3 years	Over 3 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Interest-bearing bank and other borrowings	244,428	312,556	48,591	605,575
Trade and bills payables	2,075,794	–	–	2,075,794
Other payables and accruals	117,303	–	–	117,303
Lease liabilities	725	1,450	1,208	3,383
Total	2,438,250	314,006	49,799	2,802,055

Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit profile and healthy capital ratios in order to support its business and maximize shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the year/period.

The Group monitors capital using the debt to asset ratio, which is total liabilities divided by total assets. The debt to asset ratios as at the end of each of the Relevant Periods were as follows:

	As at December 31,			As at September 30,
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Total liabilities	1,835,782	1,982,118	2,611,910	3,137,765
Total assets	3,244,856	3,812,432	5,685,756	6,771,716
Debt-to-asset ratio	57%	52%	46%	46%

42. EVENTS AFTER THE RELEVANT PERIODS

There were no significant events after the end of the Relevant Periods that require additional disclosure or adjustments.

43. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of the companies now comprising the Group in respect of any period subsequent to September 30, 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 for information purposes only. The pro forma financial information should be read in conjunction with the "Financial Information" section in this prospectus and the Accountants' Report set out in Appendix I to this prospectus.

A. UNAUDITED PRO FORMA ADJUSTED STATEMENT OF CONSOLIDATED NET TANGIBLE ASSETS

The following unaudited pro forma adjusted consolidated net tangible assets has been prepared in accordance with Rule 4.29 of the Hong Kong Listing Rules 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 our consolidated net tangible assets as of September 30, 2025 as if it had taken place on September 30, 2025.

The unaudited pro forma adjusted statement of consolidated net tangible assets of the Group to the 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 financial position of the Group had the Global Offering been completed as of September 30, 2025 or any future date. It is prepared based on our consolidated net tangible assets attributable to the owners of the Company as of September 30, 2025 as set out in the Accountants' Report as set out in Appendix I to this prospectus, and adjusted as described below. The unaudited pro forma adjusted statement of consolidated net tangible assets attributable to the owners of the Company does not form part of the Accountants' Report as set out in Appendix I to this prospectus.

	Consolidated net tangible assets attributable to owners of the Company as at September 30, 2025	**Estimated net proceeds from the Global Offering**	**Unaudited pro forma adjusted consolidated net tangible assets as at September 30, 2025**	**Unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company per Share as at September 30, 2025**	
	RMB'000	*RMB'000*	*RMB'000*	*RMB*	*(HK$ equivalent)*
	(Note 1)	*(Note 2)*		*(Note 4)*	*(Note 4)*
Based on an Offer Price of HK$71.88 per Share	3,615,142	2,806,049	6,421,191	13.59	15.39

Notes:

(1) The consolidated net tangible assets attributable to owners of the Company as at June 30, 2025 is extracted from "Appendix I — Accountants' Report", which is based on the consolidated equity attributable to owners of the parent as of September 30, 2025 of approximately RMB3,633,951,000, less intangible assets of approximately RMB18,809,000 as of September 30, 2025.

(2) The estimated net proceeds from the Global Offering are based on the Offer Price of HK$71.88 per Share, after deduction of the underwriting fees and other related expenses payable by the Company (excluding the listing expense that have been charged to profit or loss during the Track Record Period). The estimated net proceeds from the Global Offering are converted from Hong Kong dollars into Renminbi at an exchange rate of HK$1.00 to RMB0.88327 prevailing on the Latest Practicable Date.

(3) The unaudited pro forma adjusted consolidated net tangible assets per Share is calculated based on 472,446,482 Shares in issue immediately following the completion of the Global Offering.

(4) The unaudited pro forma adjusted consolidated net tangible assets per Share is converted into Hong Kong dollars at an exchange rate of HK$1.00 to RMB0.88327 prevailing on the Latest Practicable Date.

(5) Except as disclosed above, no adjustment has been made to reflect any trading result or other transactions of the Group entered into subsequent to September 30, 2025.

B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from the Company's reporting accountants, Ernst &Young, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus.

EY 安永

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To the Directors of Delton Technology (Guangzhou) Inc.

We have completed our assurance engagement to report on the compilation of pro forma financial information of Delton Technology (Guangzhou) Inc. (the "**Company**") and its subsidiary (hereinafter collectively referred to as the "**Group**") by the directors of the Company (the "**Directors**") for illustrative purposes only. The pro forma financial information consists of the pro forma consolidated net tangible assets as at 30 September 2025 and related notes as set out on pages IIA-1 to IIA-2 of the prospectus dated 12 March 2026 (the "**Prospectus**") issued by the Company (the "**Pro Forma Financial Information**"). The applicable criteria on the basis of which the Directors have compiled the Pro Forma Financial Information are described on pages IIA-1 to IIA-2 in Appendix IIA of the Prospectus.

The 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 Pro Forma Financial Information

The Directors are responsible for compiling the Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and with reference to Accounting Guideline ("**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 control

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 Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For 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 Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Financial Information.

The purpose of the 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 Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and

- the Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the transaction in respect of which the Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

(a) the Pro Forma Financial Information has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purpose of the Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully,

Certified Public Accountants
Hong Kong
12 March 2026

*The following is the preliminary financial information of our Group as of and for the year ended December 31, 2025 (the "**2025 Preliminary Financial Information**"), together with comparative figures as of and for the year ended December 31, 2024 and a discussion and analysis of our Group's financial condition and results of operations. The 2025 Preliminary Financial Information has not been audited. Investors should bear in mind that the 2025 Preliminary Financial Information in this Appendix IIB may be subject to adjustments.*

2025 PRELIMINARY FINANCIAL INFORMATION

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	**2025**	**2024**
		RMB'000 *(Unaudited)*	*RMB'000*
REVENUE	*4*	5,485,371	3,734,285
Cost of sales		(3,596,675)	(2,487,825)
Gross profit		1,888,696	1,246,460
Other income and gains	*5*	66,010	91,212
Selling and marketing expenses		(128,743)	(106,620)
Administrative expenses		(239,252)	(157,491)
Research and development costs		(279,793)	(179,197)
Other expenses		(153,251)	(116,016)
Finance costs	*7*	(16,571)	(15,867)
Share of loss of an associate		(197)	–
PROFIT BEFORE TAX	*6*	1,136,899	762,481
Income tax expense	*8*	(121,110)	(86,381)
PROFIT FOR THE YEAR		1,015,789	676,100
OTHER COMPREHENSIVE (LOSS)/ INCOME			
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		(5,645)	4,162
OTHER COMPREHENSIVE (LOSS)/ INCOME FOR THE YEAR, NET OF TAX		(5,645)	4,162
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,010,144	680,262
Profit attributable to:			
Owners of the parent		1,015,789	676,100
Total comprehensive income attributable to:			
Owners of the parent		1,010,144	680,262
EARNING PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic (RMB)	*10*	2.40	1.66
Diluted (RMB)	*10*	2.39	1.65

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	December 31, 2025	December 31, 2024
		RMB'000 *(Unaudited)*	*RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment		3,335,026	2,567,318
Right-of-use assets		147,447	104,949
Intangible assets		20,733	18,695
Investment in an associate		11,803	–
Deferred tax assets		54,945	75,652
Other non-current assets		278,295	70,464
Total non-current assets		3,848,249	2,837,078
CURRENT ASSETS			
Inventories		764,446	458,550
Trade and bills receivables	*11*	2,050,117	1,292,954
Prepayments, deposits and other receivables	*12*	154,093	83,775
Financial assets at fair value through profit or loss		190,468	291,070
Derivative financial instruments		3,045	–
Financial assets at fair value through other comprehensive income		11,865	1,048
Pledged and restricted deposits		109,422	86,210
Cash and cash equivalents		410,368	635,071
Total current assets		3,693,824	2,848,678
CURRENT LIABILITIES			
Trade and bills payables	*13*	2,379,987	1,646,602
Other payables and accruals	*14*	222,109	267,563
Derivative financial instruments		–	8,088
Tax payable		41,691	31,884
Contract liabilities		6,053	7,379
Interest-bearing bank and other borrowings		362,513	220,973
Lease liabilities		627	433
Total current liabilities		3,012,980	2,182,922
NET CURRENT ASSETS		680,844	665,756
TOTAL ASSETS LESS CURRENT LIABILITIES		4,529,093	3,502,834
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		318,001	193,946
Lease liabilities		4,568	–
Deferred income		208,030	166,725
Deferred tax liabilities		20,409	68,317
Total non-current liabilities		551,008	428,988
Net assets		3,978,085	3,073,846
EQUITY			
Equity attributable to owners of the parent			
Share capital		425,664	425,265
Treasury shares		(42,579)	(52,985)
Reserves		3,595,000	2,701,566
Total equity		3,978,085	3,073,846

NOTES TO THE 2025 PRELIMINARY FINANCIAL INFORMATION

1. CORPORATE INFORMATION

Delton Technology (Guangzhou) Inc. (the "**Company**") was established under the laws of the People's Republic of China ("**PRC**") in June 2002 and converted into a joint stock company with limited liability in June 2020. In April 2024, the Company's A Shares were listed on the main board of the Shenzhen Stock Exchange (stock code: 001389). The registered office of the Company is located in No.22 Baoying South Road, Bonded Zone, Guangzhou, Guangdong, PRC.

During the year ended December 31, 2025, the Company and its subsidiaries (together, the "**Group**") are principally engaged in the manufacture and sale of printed circuit boards ("**PCBs**").

2.1 BASIS OF PREPARATION

The financial information has been prepared in accordance with lFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board ("IASB"). All lFRS 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 financial information throughout the year.

The financial information has been prepared under the historical cost convention, except for certain financial instruments which have been measured at fair value through profit or loss, or other comprehensive income.

2.2 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended lFRS Accounting Standards, that have been issued but are not yet effective, in the financial statements. The Group intends to apply these new and amended lFRS Accounting Standards, if applicable, when they become effective.

IFRS 18	*Presentation and Disclosure in Financial Statements*[2]
IFRS 19 and its amendments	*Subsidiaries without Public Accountability: Disclosures*[2]
Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[1]
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*[1]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
Amendments to IAS 21	*Translation to a Hyperinflationary Presentation Currency*[2]
Annual improvements to IFRSs Accounting Standards – Volume 11	*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 a detailed assessment of the impact of these new and revised lFRS Accounting Standards upon initial application. So far, the Group considers that these new and revised lFRS Accounting Standards, except for IFRS 18, may result in changes in certain accounting policies and no significant impact on the Group's financial performance and financial position is expected in the period of initial application. The application of IFRS 18 is not expected to have material impact on the financial position of the Group but is expected to affect the presentation of the statement of profit or loss and other comprehensive income and statement of cash flows and disclosures in the future financial information. The Group will continue to assess the impact of IFRS 18 on the Group's financial information.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Impairment of financial assets

The Group recognizes an allowance for expected credit losses ("**ECLs**") for all debt instruments not held at fair value through profit or loss ("**FVTPL**"). 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 recognized 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 each reporting date, 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 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 amortized cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade and bills receivables 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 recognizes 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.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognized 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 recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Sale of PCBs

Revenue from the sale of PCBs is recognized at the point in time when control of the asset is transferred to the customers, generally on delivery of the PCBs.

Other income

Interest income is recognized 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.

Dividends

Final dividends are recognized as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to Historical Financial Information. Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognized immediately as a liability when they are proposed and declared.

4. REVENUE

An analysis of revenue is as follows:

	2025	2024
	RMB'000 *(Unaudited)*	*RMB'000*
Revenue from contracts with customers	5,485,371	3,734,285

Revenue from contracts with customers

Disaggregated revenue information:

	2025	2024
	RMB'000 *(Unaudited)*	*RMB'000*
Types of products		
PCBs	5,101,890	3,479,380
Others	383,481	254,905
Total revenue from contracts with customers	5,485,371	3,734,285
Geographical markets		
Chinese Mainland	1,829,826	1,051,532
Outside Chinese Mainland	3,655,545	2,682,753
Total revenue from contracts with customers	5,485,371	3,734,285
Timing of revenue recognition		
Goods transferred at a point in time	5,485,371	3,734,285

5. OTHER INCOME AND GAINS

An analysis of other income and gains is as follows:

	2025	2024
	RMB'000 *(Unaudited)*	*RMB'000*
Other income		
Interest income	20,319	17,353
Government grants*	27,612	21,859
Others	3,513	416
Total other income	51,444	39,628
Gains		
Gains on foreign exchange differences	–	48,612
Fair value gains on financial assets at fair value through profit or loss	3,470	2,972
Fair value gains on derivative financial instruments at fair value through profit or loss	11,096	–
Total gains	14,566	51,584
Total other income and gains	66,010	91,212

* Government grants mainly represent incentives received from local governments for the purpose of compensation on R&D contribution, local economic contribution and purchases of items of property, plant and equipment. There are no unfulfilled conditions or contingencies relating to these grants.

6. PROFIT BEFORE TAX

	2025	2024
	RMB'000 *(Unaudited)*	*RMB'000*
Cost of inventories sold	3,596,675	2,487,825
Depreciation of property, plant and equipment	212,268	153,462
Depreciation of right-of-use assets	3,360	12,404
Amortization of intangible assets*	15,698	10,967
Research and development costs	279,793	179,197
Lease payments not included in the measurement of lease liabilities	11,304	1,236
Employee benefit expenses (excluding directors' and chief executive's remuneration):		
Wages, salaries and other allowances	634,627	458,315
Pension scheme contributions**	72,333	39,483
Share-based payment expenses	64,206	14,968
Total	771,166	512,766
Impairment losses on financial assets, net	43,258	17,870
Write-down of inventories to net realizable value	74,246	71,771
Fair value (gains)/losses on derivative financial instruments	(11,096)	14,929
Net losses on disposal of property, plant and equipment	1,499	777
H Shares listing expenses	1,597	–
Net gains on disposal of right-of-use assets	–	(23)

* The amortization of intangible assets are included in "Cost of sales", "Administrative expenses" and "Research and development costs" in profit or loss.

** There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

7. FINANCE COSTS

	2025	2024
	RMB'000 *(Unaudited)*	*RMB'000*
Interest on bank and other borrowings	16,256	16,113
Interest on lease liabilities	315	212
Less: Interest capitalized	–	(458)
Total	16,571	15,867

8. INCOME TAX

The income tax expenses of the Group for the year is as follows:

	2025	2024
	RMB'000 *(Unaudited)*	*RMB'000*
Current income tax	131,817	111,530
Deferred income tax	(10,707)	(25,149)
Total	121,110	86,381

A reconciliation of the tax expense applicable to profit before tax at the statutory tax rate for the country in which the Company and the majority of its subsidiaries are domiciled and/or operate to the tax expense at the effective tax rate is as follows:

	2025	2024
	RMB'000 *(Unaudited)*	*RMB'000*
Profit before tax	1,136,899	762,481
Tax at the applicable tax rate	170,535	114,372
Effect on different tax rates	2,136	(26)
Adjustments in respect of current tax of previous periods	3,152	–
Expenses not deductible for tax	1,028	1,237
Additional deductible allowance for qualified research and development costs	(39,957)	(26,322)
Utilization of previously unrecognized tax losses and deductible temporary differences	(16,497)	(10,065)
Tax losses and deductible temporary differences not recognized	713	7,185
Tax charge at the Group's effective tax rate	121,110	86,381

9. DIVIDEND

	2025	2024
	RMB'000 *(Unaudited)*	*RMB'000*
Final dividend in respect of the previous year, declared and paid during the following year (tax inclusive)	204,014	105,575

The final dividend of RMB2.50 per 10 ordinary share (tax inclusive) in respect of the year ended December 31, 2023 was approved by the annual general meeting of the Company, and was subsequently paid on 28 June 2024.

The final dividend of RMB4.80 per 10 ordinary share (tax inclusive) in respect of the year ended December 31, 2024 was approved by the annual general meeting of the Company, and was subsequently paid on May 29, 2025.

10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit attributable to owners of the parent, adjusted to reflect the impact of the restricted share incentive scheme, and the weighted averages number of ordinary shares outstanding during the year.

The calculation of the diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent as used in the basic earnings per share calculation. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computation:

	2025	2024
	RMB'000 *(Unaudited)*	*RMB'000*
Earnings		
Profit for the year attributable to owners of the parent, used in the basic earnings per share calculations	1,015,789	676,100

	2025	2024
	RMB'000 *(Unaudited)*	*RMB'000*
Shares:		
Weighted average number of ordinary shares outstanding during the year, used in the basic earnings per share calculations	422,376#	408,200
Effect of dilution – weighted average number of ordinary shares:		
Share options and other incentive schemes	3,054	41
Total	425,430	408,241

The weighted average number of shares was after taking into account the effect of treasury shares held.

11. TRADE AND BILLS RECEIVABLES

	December 31, 2025	December 31, 2024
	RMB'000 *(Unaudited)*	*RMB'000*
Trade receivables	2,038,545	1,226,052
Bills receivable	117,880	129,469
Impairment	(106,308)	(62,567)
Net carrying amount	2,050,117	1,292,954

The Group's trading terms with its customers are mainly on credit. The credit period is generally 90 to 120 days. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimize credit risk. Overdue balances are reviewed regularly by senior management and credit limits attributed to customers are reviewed once a month. Trade receivables are non-interest-bearing.

An aging analysis of the trade and bills receivables as at the end of year (based on the invoice date and net of loss allowance) is as follows:

	December 31, 2025	December 31, 2024
	RMB'000 *(Unaudited)*	*RMB'000*
Within 1 year	2,050,117	1,292,530
1 year to 2 years	–	424
Total	2,050,117	1,292,954

The movements in the loss allowance for impairment of trade and bills receivables are as follows:

	2025	2024
	RMB'000 *(Unaudited)*	*RMB'000*
At the beginning of the year	62,567	44,716
Impairment losses, net	43,741	17,851
At the end of the year	106,308	62,567

12. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	December 31, 2025	December 31, 2024
	RMB'000 *(Unaudited)*	*RMB'000*
Prepayments	291,257	73,503
Deposits	5,710	10,804
Other receivables	434	2,428
Value-added tax recoverable	119,628	68,075
Tax repayments	–	532
H Shares listing expenses	15,973	–
Less: Non-current portion	(278,295)	(70,464)
ECL provision	(614)	(1,103)
Current portion	154,093	83,775

An impairment analysis was performed at the end of year. The Group has applied the general approach to provide for expected credit losses for non-trade other receivables under IFRS 9. The Group considered the historical loss rate and adjusted it for forward-looking macroeconomic data in calculating the expected credit loss rate.

13. TRADE AND BILLS PAYABLES

An aging analysis of the trade and bills payables as at the end of year was as follows:

	December 31, 2025	December 31, 2024
	RMB'000 *(Unaudited)*	*RMB'000*
Within 1 year	2,328,356	1,610,962
1 to 2 years	46,717	26,853
2 to 3 years	4,799	4,909
Over 3 years	115	3,878
Total	2,379,987	1,646,602

Trade payables are non-interest-bearing and are normally settled on term of 90 to 120 days.

As at the end of year, the carrying amounts of trade and bills payables approximated to their fair values.

14. OTHER PAYABLES AND ACCRUALS

	December 31, 2025	December 31, 2024
	RMB'000 *(Unaudited)*	*RMB'000*
Restricted share repurchase obligations	42,579	52,985
Deposits received	481	300
Accruals	21,158	15,864
Payroll and welfare payable	123,509	107,543
Other tax payables	4,582	3,901
Endorsed and unmatured bank bills not derecognised	29,536	86,352
Other payables	264	618
Total	222,109	267,563

Other payables are unsecured and repayable on demand.

BUSINESS REVIEW AND OUTLOOK

We primarily generated revenue from the sales of PCBs. The PCBs we sell (i) computing application PCBs, (ii) industrial application PCBs and (iii) consumer application PCBs. We primarily focus on computing application PCBs:

- ***Computing application PCBs***: our computing application PCBs are dense multilayer PCBs designed for computing and data management equipment used in high performance servers and AI training. Our sales of computing application PCBs comprise sales of (i) high performance server PCBs and (ii) datacenter switch PCBs.

- ***Industrial application PCBs***: our industrial application PCBs are PCBs designed for industrial environments that typically require enhanced durability, precision and consistent performance. Our sales of industrial application PCBs primarily comprised sales of (i) industrial control PCBs, (ii) automotive PCBs and (iii) communication PCBs.

- ***Consumer application PCBs***: our consumer application PCBs are PCBs designed for mass-market consumer electronic devices and security equipment, which emphasize compact design, cost-effectiveness and consistent performance across varied consumer environments. According to Frost & Sullivan, as consumer applications evolve with AI functions and increasingly complex features, demand for high performance consumer electronics PCBs continues to grow. Our sales of consumer application PCBs primarily comprise sales of (i) consumer electronics PCBs and (ii) security electronics PCBs.

Our principal production facilities are located in Guangdong Province and Hubei Province, China. To further enhance our production capabilities and strengthen our global reach, we have established our Thai Base. Our Thai Base has commenced production by the end of June 2025. We also consider to expand the production capacity of our Guangzhou base, in particular production capacity for HDI PCBs.

Going forward, we plan to implement the following strategies, which we believe, will further strengthen our market position, increase our market share, and capture industry growths:

- ***Market strategy***: expanding and deepening our global presence.

- ***Operation strategy***: expanding high-value added product portfolio and enhancing intelligent manufacturing.

- ***Talent strategy***: building a tiered talent pipeline.

Since December 31, 2025 and up to the Latest Practicable Date, our business generally experienced continued growth and, to the best of our knowledge, (i) there has been no material adverse change in our financial or trading position; and (ii) there has been no material adverse change in our business, the industry in which we operate and/or market or regulatory environment to which we are subject.

REVIEW OF RESULTS OF OPERATIONS

Non-IFRS Measure

To supplement our consolidated financial statements that are presented in accordance with IFRS Accounting Standards, we also use EBITDA (non-IFRS measure) as an additional financial measure, which is not required by, or presented in accordance with, IFRS Accounting Standards.

We define EBITDA (non-IFRS measure) as profit for the year adjusted by adding back (i) net finance costs, (ii) income tax expense and (iii) depreciation and amortization. We believe that this non-IFRS measure facilitates comparisons of operating performance from year to year by eliminating potential impacts of certain items.

We believe that this non-IFRS measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as it helps our management. However, our presentation of EBITDA (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

The following table sets forth a reconciliation of our EBITDA (non-IFRS measure) to profit for the year in respect of the years indicated:

	Year ended December 31,	
	2024	**2025**
	RMB'000	*RMB'000*
Profit for the year	**676,100**	**1,015,789**
Adjustments:		
Income tax expense	86,381	121,110
Net finance costs	(1,486)	(3,748)
Depreciation and amortization	176,833	231,326
EBITDA (non-IFRS measure)	**937,828**	**1,364,477**

Year ended December 31, 2024 Compared to Year ended December 31, 2025

Revenue

Our revenue increased by 46.9% from RMB3,734.3 million in 2024 to RMB5,485.4 million in 2025, primarily due to the increased sales of PCBs featured 12 and above layers. This was attributable to the increased market demand from our customers for computing application PCBs, in line with the growth in demand for computing power infrastructures.

Cost of sales

Our cost of sales increased by 44.6% from RMB2,487.8 million in 2024 to RMB3,596.7 million in 2025, primarily due to the increased raw materials costs for CCL, gold salts and copper foils, and production costs. Such increases are in line with our increased procurements and production needs for business development.

Gross profit and gross profit margin

Our gross profit increased by 51.5% from RMB1,246.5 million in 2024 to RMB1,888.7 million in 2025, in line with our business development. Our gross profit margin increased from 33.4% in 2024 to 34.4% in 2025, mainly due to the increased sales of HDI PCBs with relatively higher gross profit margin in consumer applications.

Other income and gains

Our income and gains decreased by 27.6% from RMB91.2 million in 2024 to RMB66.0 million in 2025, primarily due to a decrease in gains on foreign exchange of RMB48.6 million as a result of the depreciation of Renminbi against the US dollar in the first half of 2024.

Selling and marketing expenses

Our selling and marketing expenses increased by 20.7% from RMB106.6 million (represented 2.9% of the total revenue) in 2024 to RMB128.7 million (represented 2.3% of the total revenue) in 2025, primarily due to the increase in employee compensation attributable to the increasing sales and marketing personnel headcount in line with our business operations and development.

Administrative expenses

Our administrative expenses increased by 51.9% from RMB157.5 million (represented 4.2% of the total revenue) in 2024 to RMB239.3 million (represented 4.4% of the total revenue) in 2025, primarily due to the increase in share-based payment, employee compensation and professional service fees in line with our business development.

Research and development expenses

Our research and development expenses increased by 56.1% from RMB179.2 million (represented 4.8% of the total revenue) in 2024 to RMB279.8 million (represented 5.1% of the total revenue) in 2025, primarily due to the increased employee compensation and materials and power expenses. Such increases are mainly due to our increased R&D investments in projects relating to computing application PCBs, aimed at enhancing and optimizing our manufacturing processes to better meet customer demand.

Other expenses

Our other expenses increased by 32.1% from RMB116.0 million in 2024 to RMB153.3 million in 2025, primarily due to the increase in impairment loss on financial assets as a result of our increased trade receivables due to business development.

Finance costs

Our finance costs increased by 4.4% from RMB15.9 million in 2024 to RMB16.6 million in 2025, primarily due to the capitalization in 2024, which reduced the finance costs recognized in profit or loss for that year, and higher interest on bank and other borrowings.

Income tax expenses

Our income tax expenses increased by 40.2% from RMB86.4 million in 2024 to RMB121.1 million in 2025, which was in line with the increase in revenue and taxable profits during the same year.

Profit for the Year

As a result of the foregoing, our profit for the year increased from RMB676.1 million in 2024 to RMB1,015.8 million in 2025.

Discussion of Selected Balance Sheet Items

Inventories

Our inventories comprise raw materials and consumables, work in progress, finished goods, contract costs and goods in transit. Our inventories increased from RMB458.6 million as of December 31, 2024 to RMB764.4 million as of December 31, 2025, primarily due to the expansion of our production scale which is in line with our increased revenue.

Trade and bills receivables

Our trade and bills receivables represented receivables from customers for sales of our products. The balance of our trade and bills receivables increased from RMB1,293.0 million as of December 31, 2024 to RMB2,050.1 million as of December 31, 2025, which was generally in line with our revenue increase in 2025.

Prepayment, deposits and other receivables

Our prepayments, deposits and other receivables primarily include prepayments, deposits, other receivables, value-added tax recoverable, tax repayments, and H Shares listing expenses. Our prepayments, deposits and other receivables increased from RMB83.8 million as of December 31, 2024 to RMB154.1 million as of December 31, 2025, primarily due to (i) the increase in our prepayments of advance payments to construction funds and (ii) the increase in value-added tax recoverable as a result of our expansion of production scale.

Financial assets at fair value through profit or loss

Our financial assets at fair value through profit or loss primarily include wealth management of principal-guaranteed structured deposits with low risks to generate additional returns on cash reserves, while ensuring liquidity and capital preservation. Our financial assets at fair value through profit or loss decreased from RMB291.1 million as of December 31, 2024 to RMB190.5 million as of December 31, 2025, primarily as a result of redemption of certain structured deposits.

Trade and bills payables

Our trade and bills payables primarily consist of payments for raw materials, equipment and construction costs, electricity and processing fees. Our trade and bills payables increased from RMB1,646.6 million as of December 31, 2024 to RMB2,380.0 million as of December 31, 2025, primarily due to the increase in raw material purchase driven by the continued growth for our sales orders.

Other payables and accruals

Our other payables and accruals primarily consist of restricted share repurchase obligations, deposits received, accruals, payroll and welfare payable, other tax payables, endorsed and unmatured bank bills not derecognized and other payables. Our other payables and accruals decreased from RMB267.6 million as of as of December 31, 2024 to RMB222.1 million as of December 31, 2025, primarily due to the decrease in endorsed and unmatured bank bills not derecognized as a result of the respective recognition.

Contract liabilities

Our contract liabilities include prepayment received from our customers based on sales order in advance of our delivery of products under the contracts. Our contract liabilities decreased from RMB7.4 million as of as of December 31, 2024 to RMB6.1 million as of December 31, 2025, primarily due to the fulfillment of contracts with customers.

Property, plant and equipment

Our property, plant and equipment primarily consist of our buildings, machinery, construction in progress, tools and freehold land. Our property, plant and equipment increased from RMB2,567.3 million as of December 31, 2024 to RMB3,335.0 million as of December 31, 2025, primarily due to the increase in machinery and construction in progress in relation to the production expansion at our Guangzhou base and Thai base.

Right-of-use assets

Our right-of-use assets primarily consist of buildings and land use rights. Our right-of-use assets increased from RMB104.9 million as of December 31, 2024 to RMB147.4 million as of December 31, 2025, primarily due to our newly leased office and the acquisition of land use rights.

Net current assets

	As of December 31,	
	2024	2025
	RMB'000	*RMB'000*
Current Assets		
Inventories	458,550	764,446
Trade and bills receivables	1,292,954	2,050,117
Prepayments, deposits and other receivables	83,775	154,093
Financial assets at fair value through profit or loss	291,070	190,468
Derivative financial instruments	–	3,045
Financial assets at fair value through other comprehensive income	1,048	11,865
Pledged and restricted deposits	86,210	109,422
Cash and cash equivalents	635,071	410,368
Total current assets	**2,848,678**	**3,693,824**
Current liabilities		
Trade and bills payables	1,646,602	2,379,987
Other payables and accruals	267,563	222,109
Derivative financial instruments	8,088	–
Tax payable	31,884	41,691
Contract liabilities	7,379	6,053
Interest-bearing bank and other borrowings	220,973	362,513
Lease liabilities	433	627
Total current liabilities	**2,182,922**	**3,012,980**
Net current assets	**665,756**	**680,844**

Our net current assets increased from RMB665.8million as of December 31, 2024 to RMB680.8 million as of December 31, 2025, primarily due to (i) an increase in trade and bills receivables of RMB757.2 million, (ii) an increase in inventories of RMB305.9 million, partially offset by (i) an increase in trade and bills payables of RMB733.4 million and (ii) a decrease of Cash and cash equivalents of RMB224.7 million.

Indebtedness

Our indebtedness primarily consisted of (i) interest-bearing bank borrowings, and (ii) lease liabilities. The table below sets forth a breakdown of our total indebtedness as at the dates indicated:

	As of December 31,	
	2024	2025
	RMB'000	*RMB'000*
Current		
Interest-bearing bank borrowings	220,973	362,513
Lease liabilities	433	627
Non-current		
Interest-bearing bank borrowings	193,946	318,001
Lease liabilities	–	4,568
Total	**415,352**	**685,709**

Interest-bearing bank borrowings

As of December 31, 2024 and 2025, we had outstanding aggregate unpaid interest-bearing bank borrowings of RMB415.4 million and RMB685.7 million, respectively, primarily due to the increase in machinery and construction in progress in relation to the production expansion at our Guangzhou base and Thai base.

Key financial ratios

The below table sets forth our key financial ratios for the years/as of the dates indicated:

	As of/For the Year Ended December 31,	
	2024	2025
Current ratio (1)	1.3 times	1.2 times
Quick ratio (2)	1.1 times	1.0 times
Gearing ratio (3)	13.5%	17.2%
Liability-to-asset ratio (4)	45.9%	47.3%
Trade receivables turnover days (5)	102 days	107 days
Inventories turnover days (6)	72 days	69 days
Interest coverage ratio (7)	59.1 times	82.3 times
Net margin (8)	18.1%	18.5%

Notes:

(1) Current ratio was calculated by dividing current assets by current liabilities as of the dates indicated.

(2) Quick ratio was calculated by dividing the difference of current assets and inventories by total current liabilities as of the dates indicated.

(3) Gearing ratio was calculated based on total indebtedness (including lease liabilities, interest-bearing bank and other borrowings) divided by total equity and multiplied by 100%.

(4) Liability-to-asset ratio was calculated by dividing total liabilities by total assets.

(5) Trade receivables turnover days were calculated based on the average of opening and closing balance of trade receivables (before impairment) for the relevant year/period, divided by the revenue for the same year/period and multiplied by the number of days in that year/period.

(6) Inventories turnover days were calculated based on the average of the beginning and ending balances of inventories (before impairment) of a given year/period divided by the cost of sales for that corresponding year/period and multiplied by the number of days in that year/period.

(7) Interest coverage ratio was calculated by dividing EBITDA (non-IFRS measure) by interest expenses for the years/periods indicated.

(8) Net margin was calculated by dividing profit for the year/periods by revenue for the years/periods indicated.

DISCLOSURE ABOUT MARKET RISK

See "Financial Information — Quantitative and Qualitative Disclosures about Financial Risks" for further information.

CODE ON CORPORATE GOVERNANCE PRACTICES

Since we were not yet listed on the Stock Exchange during the year ended December 31, 2025, the Corporate Governance Code as set out in Appendix C1 to the Listing Rules was not applicable to us during such period. After the Listing, save as disclosed in "Directors and Senior Management — Corporate Governance," we will comply with all the code provisions set forth in the Corporate Governance Code.

REVIEW OF OUR PRELIMINARY FINANCIAL INFORMATION

The unaudited financial information in respect of our consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended December 31, 2025 as set out in the section headed "2025 Preliminary Financial Information" in this Appendix IIB of this prospectus have been agreed by the reporting accountants of our Company to the amounts set out in our draft consolidated financial statements for the year ended December 31, 2025, following their work under Practice Note 730 (Revised) "Guidance for Auditors Regarding Preliminary Announcement of Annual Results" issued by the Hong Kong Institute of Certified Public Accountants. The work performed by the reporting accountants of our Company in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by the reporting accountants of our Company on the unaudited preliminary financial information for the year ended December 31, 2025.

PURCHASE, SALE OR REDEMPTION OF OUR COMPANY SHARES

Since we were not yet listed on the Stock Exchange during the year ended December 31, 2025, this disclosure requirement is not applicable to us.

TAXATION OF SECURITY HOLDERS

Income tax and capital gains tax of holders of the H shares is subject to the laws and practices of the PRC and of jurisdictions in which holders of the H shares are resident or otherwise subject to tax. The following summary of certain relevant taxation provisions is based on current laws and practices, and has not taken into account the expected change or amendment to the relevant laws or policies and does not constitute any opinion or advice. The discussion does not deal with all possible tax consequences relating to an investment in the H shares, nor does it take into account the specific circumstances of any particular investor, some of which may be subject to special regulation. Accordingly, you should consult your own tax adviser regarding the tax consequences of an investment in the H shares. The discussion is based upon laws and relevant interpretations in effect as of the Latest Practicable Date, all of which are subject to change or adjustment.

This discussion does not address any aspects of PRC taxation other than income tax, capital gains tax and profits tax, sales tax, value-added tax, stamp duty and estate duty. Prospective investors are urged to consult their financial advisers regarding the PRC and other tax consequences of owning and disposing of the H shares.

TAXATION IN THE CHINESE MAINLAND

Tax on Dividends

Individual Investors

According to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》) (the "**IIT Law**"), latest amended by the SCNPC on August 31, 2018 and effective on January 1, 2019, and the Implementation Rules of the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法實施條例》) amended by the State Council on December 18, 2018 and effective on January 1, 2019, dividends paid by PRC companies to individual investors are ordinarily subject to a withholding income tax levied at a flat rate of 20%. Meanwhile, according to Notice on Issues Relating to Differentiated Individual Income Tax Policies for Dividends and Bonuses of Listed Companies (《關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》) issued by the MOF, the STA and China Securities Regulatory Commission (the "**CSRC**") on September 7, 2015 and effective on September 8, 2015, for shares of listed companies obtained by individuals via public offerings and market transfer and held for more than one year, the income from dividends and bonuses thereof shall temporarily be exempt from individual income tax. For shares of listed companies obtained by individuals via public offerings and market transfer and held for less than one month (including one month), the income from dividends and bonuses thereof shall be fully included in the individual's taxable income amount; where the shares are held for a period from one month up to one year (including one year), 50% of the income from dividends and bonuses therefrom shall temporarily be included in the individual's taxable income amount; the aforesaid income shall be subject to individual income tax based on 20% tax rate on a unified basis.

Pursuant to the Arrangement between the Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》), signed by the Chinese Mainland and the Hong Kong Special Administrative Region on August 21, 2006, the PRC government may impose tax on dividends paid by a PRC company to a Hong Kong resident (including natural person and legal entity), but such tax shall not exceed 10% of the total amount of dividends payable. If a Hong Kong resident directly holds 25% or more of the equity interests in a PRC company and the Hong Kong resident is the beneficial owner of the dividends and meets other conditions, such tax shall not exceed 5% of the total amount of dividends payable by the PRC company. The Fifth Protocol to the Arrangement between the Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (《國家稅務總局關於〈內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排〉第五議定書》), issued by the STA on July 19, 2019 and effective on December 6, 2019 provides that such provisions shall not apply to arrangements or transactions made for one of the primary purposes of obtaining such tax benefits.

Enterprise Investors

Pursuant to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) (the "**EIT Law**") promulgated by the SCNPC, latest amended and became effective on December 29, 2018, and the Implementation Regulations for the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法實施條例》) promulgated by the State Council, last amended on December 6, 2024 and became effective on January 20, 2025, a non-resident enterprise is subject to a 10% enterprise income tax on PRC-sourced income, including dividends paid by a PRC resident enterprise that issues and lists shares in Hong Kong, if such non-resident enterprise does not have an establishment or place of business in the PRC or has an establishment or place of business in the PRC but the PRC-sourced income is not actually connected with such establishment or place of business in the PRC. The aforesaid income tax payable by non-resident enterprises shall be withheld at source, and the payer shall be the withholding agent, and the tax shall be withheld by the withholding agent from the payment or due payment every time it is paid or due. Such tax may be reduced or exempted pursuant to an applicable treaty for the avoidance of double taxation.

Pursuant to the Notice on the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H Share Holders Which Are Overseas Non-resident Enterprises (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) issued by the STA and effective on November 6, 2008, a PRC resident enterprise is required to withhold enterprise income tax at a rate of 10% on dividends paid to non-PRC resident enterprise holders of H Shares which are derived out of profit generated since 2008. The Reply on the Collection of Enterprise Income Tax on Dividends Received by Non-resident Enterprises from Holding B Shares and Other Shares (《關於非居民企業取得B股等股票股息徵收企業所得稅問題的批覆》) promulgated by the State Administration of Taxation and effective July 24, 2009 further provides that PRC-resident enterprises listed on Chinese and overseas stock exchanges by issuing stocks (including A shares, B shares and overseas shares) must withhold enterprise income tax at a flat rate of 10% on dividends of 2008 and onwards that it distributes to non-resident enterprise shareholders. Such tax rates may be further modified pursuant to the tax treaty or agreement that China has concluded with a relevant jurisdiction, where applicable.

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

Tax Treaties

Investors who are not PRC residents and reside in countries which have entered into avoidance of double taxation treaties with the PRC are entitled to a reduction of the withholding taxes imposed on the dividends received from PRC companies. The PRC has entered into arrangements for the avoidance of double taxation with a number of countries and regions including but not limited to Hong Kong Special Administrative Region, Macau Special Administrative Region, Australia, Canada, France, Germany, Japan, Malaysia, the Netherlands, Singapore, the United Kingdom and the United States. Non-PRC resident enterprises entitled to preferential tax rates in accordance with the relevant income tax treaties or arrangements are required to apply to the PRC tax authorities for a refund of the withholding tax in excess of the agreed tax rate, and the refund payment is subject to approval by the PRC tax authorities.

Tax Related to Share Transfer Income

Individual Investors

According to the IIT Law and its implementation rules, individuals are subject to individual income tax at the rate of 20% on gains realized on the sale of equity interests in PRC resident enterprises. Under the Circular of the MOF and STA on Declaring that Individual Income Tax Continues to Be Exempted over Individual Income Tax from Transfer of Shares (Cai Shui Zi [1998] No.61) (《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》issued by the MOF and SAT on March 30, 1998, from January 1, 1997, income of individuals from the transfer of shares in listed companies continues to be temporarily exempted from individual income tax. Although the IIT Law and its implementation rules have not stated whether it will continue exempting individual income tax on income of individuals from transfer of listed shares, the Circular on Relevant Issues Concerning the Collection of Individual Income Tax over the Income Received by Individuals from Transfer of Listed Shares Subject to Sales Limitation (《關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的通知》) promulgated jointly by the MOF, the SAT and the CSRC on December 31, 2009 and implemented on the same day, the Notice of State Taxation Administration of the PRC on Issues Relating to Levying and Payment of Individual Income Tax on Income from Transfer of Moratorium Shares (《國家稅務總局關於限售股轉讓所得個人所得稅徵繳有關問題的通知》) promulgated by the State Taxation Administration of the PRC on January 18, 2010 and effective from January 18, 2010 and the Circular on Relevant Issues Concerning the Collection of Individual Income Tax over the Income Received by Individuals from Transfer of Listed Shares Subject to Sales Limitation (《關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的補充通知》) promulgated by the MOF, the SAT of the PRC and China Securities Regulatory Commission on November 10, 2010 and effective from November 10, 2010, states that individuals' income from transfer of listed shares on certain domestic stock exchanges (including Shenzhen Stock Exchange) shall continue being exempt from individual income tax, except for the shares subject to sales restriction. As at the date of this Document, the aforesaid provision has not expressly provided that individual income tax shall be collected from non-PRC resident individuals on the sale of shares of PRC resident enterprises listed on overseas stock exchanges. In practice, the PRC tax authorities have not collected income tax from non-PRC resident individuals on gains from the sale of shares of the PRC resident enterprises listed on overseas stock exchanges.

Enterprise Investors

In accordance with the EIT Law and its implementation rules, a non-resident enterprise is generally subject to corporate income tax at the rate of 10% on PRC-sourced income, including gains derived from the disposal of equity interests in a PRC resident enterprise, if it does not have an establishment or premise in the PRC or has an establishment or premise in the PRC but its PRC-sourced income has no real connection with such establishment or premise. Such income tax payable for non-resident enterprises are deducted at source, where the payer of the income is required to withhold the income tax from the amount to be paid to the non-resident enterprise. Such tax may be reduced or exempted pursuant to relevant tax treaties or agreements on avoidance of double taxation.

Shenzhen-Hong Kong Stock Connect Taxation Policy

Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》) promulgated by the Ministry of Finance, the State Administration of Taxation and the CSRC on November 5, 2016 and effective on December 5, 2016, transfer spread income derived by Chinese Mainland enterprises from stock investment listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect shall be included in their total income and subject to enterprise income tax according to law. For dividends and bonuses received by Chinese Mainland individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the H-share companies shall apply to CSDCC for providing the register of Chinese Mainland individual investors to the H-share companies and the H-share companies shall withhold individual income tax at the rate of 20% on behalf of the investors.

Pursuant to the Announcement on Continuing the Implementation of the Individual Income Tax Policies Concerning the Shanghai-Hong Kong Stock Connect and the Shenzhen Hong Kong Stock Connect and the Chinese Mainland-Hong Kong Mutual Recognition of Funds promulgated by the Ministry of Finance, the State Administration of Taxation and the CSRC on December 4, 2019 and effective on December 5, 2019 and the Announcement on Extending the Implementation of the Individual Income Tax Policies Concerning the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and the Chinese Mainland-Hong Kong Mutual Recognition of Funds which promulgated on August 21, 2023 and implemented on the same date, the transfer spread income derived by Chinese Mainland individual investors from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect shall be exempted from individual income tax from December 5, 2019 to December 31, 2027.

Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》), dividends derived by Chinese Mainland enterprises investors from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect are included in their total income and subject to Enterprise Income Tax according to law. In particular, dividend and bonus income obtained by Chinese Mainland resident enterprises from holding H shares for 12 consecutive months shall be exempted from enterprise income tax according to law. H-share companies shall not withhold income tax on dividends and bonus income for Chinese Mainland enterprises. The tax payable shall be declared and paid by the enterprise itself.

Stamp Duty

According to the Stamp Duty Law of the PRC (《中華人民共和國印花稅法》), which was promulgated on June 10, 2021 and came into effect on July 1, 2022, PRC stamp duty only applies to specific taxable document executed or received within the PRC, having legally binding force in the PRC and protected under the PRC laws, thus the requirements of the stamp duty imposed on the transfer of shares of PRC listed companies shall not apply to the acquisition and disposal of H Shares by non-PRC investors outside of the PRC.

Estate Duty

According to PRC law, no estate duty is currently levied in the Chinese Mainland.

MAJOR TAXATION OF OUR COMPANY IN THE PRC

Enterprise Income Tax

According to the EIT Law and its implementation rules, all domestic enterprises in China (including foreign-invested enterprises) shall be subject to enterprise income tax at the uniform tax rate of 25%.

According to the Administrative Measures for Determination of High and New Tech Enterprises (《高新技術企業認定管理辦法》), which was promulgated by the Ministry of Science and Technology, the MOF and the STA on April 14, 2008, amended on January 29, 2016 and became effective on January 1, 2016, an enterprise recognized as a high and new technology enterprise may apply for a preferential enterprise income tax rate of 15% pursuant to the relevant requirements of the Enterprise Income Tax Law.

Enterprises are categorized into resident enterprises and non-resident enterprises. Where a non-resident enterprise has no establishment or place in China, or it has an establishment or a place in China, but the income derived is not effectively connected with the aforesaid establishment or place, it shall pay enterprise income tax on the portion of its income sourced from inside China. The aforesaid tax payable on the income derived by a non-resident enterprise, shall be withheld at source, with the payer of the income serving as the withholding agent. When making such payment or when such payment is due, the withholding agent shall withhold the income tax from such payment. Meanwhile, any gains realized on the transfer of shares by such investors are subject to enterprise income tax and shall be withheld at source if such gains are regarded as income derived from the transfer of property within the PRC.

Value-added Tax

According to the Value-Added Tax Law of the People's Republic of China (《中華人民共和國增值稅法》), which was promulgated on December 25, 2024 and became effective on January 1, 2026, and the Implementation Rules for the Provisional Regulations on Value-added Tax of the PRC (《中華人民共和國增值稅暫行條例實施細則》) promulgated by the MOF on December 25, 1993, latest amended on October 28, 2011 and became effective on November 1, 2011, entities and individuals (including individual businesses) engaged in sale of goods, services, intangible assets and immovables and importation of goods within the PRC are subject to the payment of value-added tax. Taxpayers that sell goods, provide processing, repair and replacement services, tangible movables leasing services or import goods are subject to a tax rate of 13% unless otherwise specified in the aforesaid regulations.

In accordance with Notice of the Ministry of Finance and the State Administration of Taxation on the Adjustment to VAT Rates (《財政部、國家稅務總局關於調整增值稅稅率的通知》), which became effective on May 1, 2018, the VAT rates of 17% and 11% applicable to the taxpayers who have VAT taxable sales activities or imported goods are adjusted to 16% and 10%, respectively.

According to Announcement on Policies for Deepening the VAT Reform (《關於深化增值稅改革有關政策的公告》) promulgated by the MOF, the STA and the General Administration of Customs on March 20, 2019 and became effective from April 1, 2019, for general VAT payers' sales activities or imports that are subject to VAT at an existing applicable rate of 16% or 10%, the applicable VAT rate is adjusted to 13% or 9% respectively.

Pursuant to the Announcement of the MOF and the State Taxation Administration (the "**STA**") on the Weighted VAT Deduction Policy for Advanced Manufacturing Enterprises (《財政部、稅務總局關於先進製造業企業增值稅加計抵減政策的公告》), which was promulgated on September 3, 2023, from January 1, 2023 to December 31, 2027, advanced manufacturing enterprises are allowed to deduct weighted 5% of the current deductible input tax amount from the VAT payable.

On December 25, 2024, the SCNPC promulgated the VAT Law of the PRC (《中華人民共和國增值稅法》), which will come into effective on January 1, 2026, and replace the Provisional Regulations on Value-added Tax of the PRC.

FOREIGN EXCHANGE ADMINISTRATION IN THE PRC

The lawful currency of the PRC is the Renminbi. The State Administration of Foreign Exchange (the "**SAFE**"), authorized by the PBOC, is empowered with the functions of administering all matters relating to foreign exchange, including the enforcement of foreign exchange regulations.

Pursuant to the Regulations of the People's Republic of China on Foreign Exchange Control (《中華人民共和國外匯管理條例》) amended by the State Council and became effective on August 5, 2008, all international payments and transfers are classified into current account items and capital account items. The PRC does not impose restrictions on international payments and transfers under current account items. Foreign exchange income from the current account of PRC enterprises may be retained or sold to financial institutions engaged in the settlement and sale of foreign exchange in accordance with relevant provisions of the State. The retention or sale of foreign exchange receipts under capital accounts to financial institutions engaging in settlement and sale of foreign exchange shall be subject to the approval of foreign exchange administrative authorities, unless otherwise stipulated by the State.

Pursuant to the Regulations for the Administration of Settlement, Sale and Payment of Foreign Exchange (《結匯、售匯及付匯管理規定》) promulgated by the PBOC on June 20, 1996 and became effective on July 1, 1996, the remaining restrictions on convertibility of foreign exchange in respect of current account items are abolished while the existing restrictions on foreign exchange transactions in respect of capital account items are retained.

According to relevant laws and regulations of the PRC, PRC enterprises (including foreign-invested enterprises) which require foreign exchange for transactions relating to current account items, may, without the approval of SAFE, effect payment from their foreign exchange accounts at the designated foreign exchange banks, on the strength of valid receipts and proof of transactions. Foreign-invested enterprise that need to distribute profits to their shareholders in foreign exchange and Chinese enterprise that need to pay fixed dividends in foreign exchange in accordance with the requirements shall pay from its foreign exchange account or pay at the designated foreign exchange bank by a resolution of the board of directors on the distribution of profits.

According to the Decision of the State Council on Canceling and Adjusting a Group of Administrative Approval Items and Other Matters (《國務院關於取消和調整一批行政審批項目等事項的決定》) promulgated by the State Council and effective on October 23, 2014, the administrative approval of the SAFE and its branches on matters concerning the repatriation and settlement of foreign exchange of overseas-raised funds through overseas listing has been canceled.

On February 13, 2015, the SAFE issued the Notice of the SAFE on Further Simplifying and Improving the Foreign Exchange Management Policies for Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》) (Hui Fa [2015] No. 13), which came into effect on June 1, 2015. The Notice cancels the foreign exchange registration approval under domestic direct investment and foreign exchange registration approval under overseas direct investment, and requires the banks to review and carry out foreign exchange registration under domestic direct investment and foreign exchange registration under overseas direct investment directly. SAFE and its branches shall implement indirect supervision over foreign exchange registration of direct investment via the banks.

According to the Notice of the State Administration of Foreign Exchange on Policies for Reforming and Regulating the Control over Foreign Exchange Settlement under the Capital Account (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) promulgated by the SAFE on June 9, 2016, foreign currency earnings in capital account that relevant policies of willingness exchange settlement have been clearly implemented on (including the recalling of raised capital by overseas listing) may undertake foreign exchange settlement in the banks according to actual business needs of the domestic institutions. The tentative percentage of foreign exchange settlement for foreign currency earnings in capital account of domestic institutions is 100%, subject to adjustment by the SAFE in due time in accordance with international revenue and expenditure situations.

Pursuant to the Notice of SAFE on Promulgation of the Guidelines on Foreign Exchange Businesses under Capital Accounts (Edition 2024) (《國家外匯管理局關於印發〈資本專案外匯業務指引(2024年版)〉的通知》) promulgated by the SAFE on April 3, 2024, for domestic companies listed overseas, the funds raised shall in principle be repatriated to China in a timely manner, either in RMB or foreign currency. The use of these funds must comply with the relevant content disclosed in public documents, such as the prospectus, bond issuance documents, shareholder circulars, board or shareholder meeting resolutions. If a domestic company uses overseas-raised funds for outbound direct investment (ODI), overseas securities investment, or cross-border lending, it must comply with the relevant foreign exchange regulations.

LAWS AND REGULATIONS RELATING TO TAXATIONS IN THAILAND

Thailand's tax system is primarily governed by the Revenue Code, which provides the legal basis for the imposition of taxes at the national level. The Thai tax structure is centralized and administered by the Revenue Department under the Ministry of Finance. The main types of taxes applicable to businesses include corporate income tax, VAT, specific business tax, stamp duty, and withholding tax:

- Corporate income tax is levied on both Thai and foreign companies operating in Thailand. Resident companies are taxed on their worldwide income, while non-resident companies are taxed only on income derived from sources within Thailand. Reductions or exemptions may be available under investment promotion schemes regulated by the BOI or through double taxation agreements (DTAs).

- Value-added tax (VAT) is a consumption tax imposed at each stage of the production and distribution process. The standard VAT rate is 7%, although certain goods and services may be exempt or zero-rated, such as exports or basic necessities.

- Withholding tax is applicable to certain types of payments made to both resident and non-resident entities, including interest, dividends, royalties, and service fees. The applicable rates vary depending on the nature of the payment and may be reduced under applicable DTAs.

- Specific business tax (SBT) applies to businesses engaged in specific activities not subject to VAT, such as banking, financial institutions, and real estate. The tax rate varies based on the business type.

- Stamp duty is imposed on legal instruments such as contracts, leases, and certain financial transactions. The rates vary depending on the document type and transaction value.

See "Regulatory Overview — Thailand Regulatory Overview."

This Appendix summarizes certain aspects of PRC laws and regulations which are relevant to our Company's operations and business. Laws and regulations relating to taxation in the PRC are discussed separately in "Appendix III — Taxation and Foreign Exchange". This Appendix also contains a summary of laws and regulatory provisions of the PRC Company Law. The principal objective of this summary is to provide potential investors with an overview of the principal laws and regulatory provisions applicable to our Company. This summary is not intended to include all the information which is important to the potential investors. For a discussion of laws and regulations which are relevant to our Company's business, see "Regulatory Overview" in this document.

PRC LEGAL SYSTEM

The PRC legal system is based on the PRC Constitution (《中華人民共和國憲法》) amended and came into effect on March 11, 2018 (the "**Constitution**") and is made up of written laws, administrative regulations, local regulations, autonomous regulations, separate regulations, rules and regulations of State Council departments, rules and regulations of local governments, laws of special administrative regions and international treaties of which the PRC government is the signatory and other regulatory documents. Court judgments do not constitute legally binding precedents, although they are used for the purposes of judicial reference and guidance.

According to the Constitution and the Legislation Law of the PRC (《中華人民共和國立法法》) which was last amended on March 13, 2023 and came into effect on March 15, 2023 (the "**Legislation Law**"), the NPC and SCNPC are empowered to exercise the legislative power of the State. The NPC has the power to formulate and amend basic laws governing State organs, civil, criminal and other matters. The SCNPC formulates and amends the laws other than those required to be enacted by the NPC and to supplement and amend parts of the laws enacted by the NPC during the adjournment of the NPC, provided that such supplements and amendments are not in conflict with the basic principles of such laws.

The State Council is the highest organ of state administration and has the power to formulate administrative regulations based on the Constitution and laws. The people's congresses of the provinces, autonomous regions and municipalities and their standing committees may formulate local regulations based on the specific circumstances and actual needs of their respective administrative areas, provided that such regulations do not contravene any provision of the Constitution, laws or administrative regulations. The people's congresses of cities divided into districts and their respective standing committees may formulate local regulations on aspects such as urban and rural construction and management, ecological civilization development, historical and cultural protection, and grassroots governance based on the specific circumstances and actual needs of such cities, provided that such local regulations do not contravene any provision of the Constitution, laws, administrative regulations and local regulations of their respective provinces or autonomous regions. If the law provides otherwise on the formulation of local regulations by cities divided into districts, those provisions shall prevail. Such local regulations will become enforceable after being reported to and approved by the standing committees of the people's congresses of the relevant provinces or autonomous regions.

The standing committees of the people's congresses of the provinces or autonomous regions shall examine the legality of local regulations submitted for approval, and such approval shall be granted within four months if they are not in conflict with the Constitution, laws, administrative regulations and local regulations of the relevant provinces or autonomous regions. Where, during the examination for approval of local regulations of cities divided into districts by the standing committees of the people's congresses of the provinces or autonomous regions, conflicts are identified with the rules and regulations of the people's governments of the provinces or autonomous regions, a decision should be made to resolve the issue. People's congresses of national autonomous areas have the power to enact autonomous regulations and separate regulations in light of the political, economic and cultural characteristics of the ethnic groups in the areas concerned.

The ministries and commissions of the State Council, PBOC, the National Audit Office, the subordinate institutions with administrative functions directly under the State Council, and the organizations prescribed by laws may formulate departmental rules and regulations within the permissions of their respective departments based on the laws as well as the administrative regulations, decisions and orders of the State Council. Provisions of departmental rules should be the matters related to the enforcement of the laws or the administrative regulations, decisions and orders of the State Council. The people's governments of the provinces, autonomous regions, municipalities and cities or autonomous prefectures divided into districts may formulate rules and regulations based on the laws, administrative regulations and local regulations of such provinces, autonomous regions and municipalities.

The Constitution has supreme legal authority and no laws, administrative regulations, local regulations, autonomous regulations or separate regulations may contravene the Constitution. The authority of laws is greater than that of administrative regulations, local regulations and rules. The authority of administrative regulations is greater than that of local regulations and rules. The authority of local regulations is greater than that of the rules of the local governments at or below the corresponding level. The authority of the rules enacted by the people's governments of the provinces or autonomous regions is greater than that of the rules enacted by the people's governments of the city divided into districts or autonomous prefecture within the administrative areas of the provinces and the autonomous regions.

The NPC has the power to amend or repeal any inappropriate laws enacted by the SCNPC, and to repeal any autonomous regulations and separate rules approved by the SCNPC that are in conflict with the Constitution and the Legislation Law. The SCNPC has the power to repeal any administrative regulations that are in conflict with the Constitution and the laws, and to repeal any local regulations that are in conflict with the Constitution, the laws, and the administrative regulations, and to repeal autonomous regulations and separate regulations approved by the standing committees of the people's congresses of the relevant provinces, autonomous regions or municipalities directly under the central government as being in conflict with the Constitution and the Legislation Law. The State Council has the right to amend or repeal any inappropriate departmental and local government regulations. The people's congresses of the provinces, autonomous regions and municipalities directly under the central government have the right to amend or repeal any inappropriate local laws or regulations promulgated or approved by their respective standing committees. The standing committees of local people's congresses have the right to repeal any inappropriate rules promulgated by the people's governments at the same level, and the people's governments of provinces and autonomous regions have the right to amend or repeal any inappropriate rules promulgated by the people's governments at lower levels.

Pursuant to the Resolution of the SCNPC Providing an Improved Interpretation of the Law (《全國人民代表大會常務委員會關於加强法律解釋工作的決議》) passed on June 10, 1981, in cases where the scope of provisions of laws or decrees needs to be further defined or additional stipulations need to be made, the SCNPC shall provide interpretations or make stipulations by means of decrees. Issues related to the application of laws in a court trial should be interpreted by the Supreme People's Court, issues related to the application of laws in a prosecution process of the procuratorate should be interpreted by the Supreme People's Procuratorate, and issues related to the application of laws other than in a court trial or in a prosecution process of the procuratorate should be interpreted by the State Council and the competent authorities. At the regional level, the power to interpret regional regulations is vested in the regional legislative and administrative authorities which promulgate such regulations.

PRC JUDICIAL SYSTEM

According to the Constitution and the Law of Organization of the People's Court of the PRC (《中華人民共和國人民法院組織法》) amended by the SCNPC on October 26, 2018 and becoming effective on January 1, 2019, the people's courts of the PRC are divided into the Supreme People's Court, the local people's courts at all levels and special people's courts. The local people's courts at all levels are divided into three levels, namely, the basic people's courts, the intermediate people's courts and the higher people's courts. The basic people's courts may set up certain people's tribunals based on the status of the region, population and cases. The Supreme People's Court shall be the highest judicial organ of the state. The Supreme People's Court shall supervise the administration of justice by the local people's courts at all levels and by the special people's courts. The people's courts at a higher level shall supervise the judicial work of the people's courts at lower levels.

According to the Constitution and the Law of Organization of the People's Procuratorates of the PRC (《中華人民共和國人民檢察院組織法》) revised by SCNPC on October 26, 2018 and taking effect on January 1, 2019, the People's Procuratorates is the law supervision organ of the state. The Supreme People's Procuratorate shall be the highest procuratorial organ. The Supreme People's Procuratorate shall direct the work of the local people's procuratorates at all levels and of the special people's procuratorates; the people's procuratorates at higher levels shall direct the work of those at lower levels.

The people's courts employ a two-tier appellate system, i.e., judgments or rulings of the second instance at the people's courts are final. A party may appeal against the judgment or ruling of the first instance of a local people's courts. The people's procuratorate may present a protest to the people's courts at the next higher level in accordance with the procedures stipulated by the laws. In the absence of any appeal by the parties and any protest by the people's procuratorate within the stipulated period, the judgments or rulings of the people's courts are final. Judgments or rulings of the second instance of the intermediate people's courts, the higher people's courts and the Supreme People's Court and those of the first instance of the Supreme People's Court are final. However, if the Supreme People's Court or the people's courts at the next higher level finds any definite errors in a legally effective final judgment or ruling of a people's court at a lower level, or if the chief judge of a people's court at any level finds any definite errors in a legally effective final judgment or ruling of such court, the case can be retried according to judicial supervision procedures.

The PRC Civil Procedure Law (《中華人民共和國民事訴訟法》) adopted by the SCNPC on September 1, 2023 and effective on January 1, 2024 sets forth the requirements for instituting a civil action, the jurisdiction of the people's courts, the procedures to be followed for conducting a civil action and the procedures for enforcement of a civil judgment or order. All parties to a civil action conducted within the PRC must comply with the PRC Civil Procedure Law. Civil cases are generally heard by the courts where the defendants are located. The court of jurisdiction in a civil action may be chosen by express agreement between the parties, provided that the court is located at a place that has direct connection with the dispute, such as the plaintiff's or the defendant's place of domicile, the place where the contract is performed or signed, or the object of the action is located. However, the choice of the court cannot be in conflict with the regulations of different jurisdictions and exclusive jurisdictions in any case.

Foreign individuals, persons without nationality, foreign enterprises and foreign organizations that institute or respond to proceedings in a people's court shall have the same procedural rights and obligations as citizens, legal persons and other organizations of the PRC. Should a foreign court limit the litigation rights of PRC citizens or enterprises, the People's court of PRC may apply the same limitations to the citizens or enterprises of such foreign country. Foreign individuals, persons without nationality, foreign enterprises or foreign organizations that need to be represented by a lawyer as his or its agent ad litem in instituting and responding to an action in a people's court shall appoint a lawyer of the PRC. In accordance with the international treaties to which the PRC is a signatory or participant or according to the principle of reciprocity, a people's court and a foreign court may request each other to serve documents, conduct investigation and collect evidence and conduct other actions on its behalf. A people's court shall not accommodate any request made by a foreign court which will result in the violation of sovereignty, security or public interests of the PRC.

All parties to a civil action shall perform the legally effective judgments and rulings. Where a party refuses to perform a ruling or judgment, the other party may apply to the people's court for the enforcement of the same. The time limit applicable to applications to execute a judgment is two years. The provisions relating to the suspension or discontinuance of the litigation limitation period shall be applicable to the suspension or discontinuance of the limitation period for applications to execute a judgment. If a party fails to satisfy within the stipulated period a judgment which the court has granted an enforcement approval, the court may, upon the application of the other party, mandatorily enforce the judgment against such party.

Where a party requests for enforcement of an effective judgment or ruling made by a people's court, but the opposite party or his property is not within the territory of the People's Republic of China, the party may directly apply to the foreign court with jurisdiction for recognition and enforcement of the judgment or ruling, or the people's court may, in accordance with the provisions of international treaties to which the PRC is a signatory or in which the PRC is a participant or according to the principle of reciprocity, request for recognition and enforcement by the foreign court. Similarly, for an effective judgment or ruling made by a foreign court that requires recognition and enforcement by a people's court of the PRC, a party may directly apply to an intermediate people's court of the PRC with jurisdiction for recognition and enforcement of the judgment or ruling, or the foreign court may, in accordance with the provisions of international treaties to which its country and the PRC are signatories or in which its country is a participant or according to the principle of reciprocity, request for recognition and enforcement by the people's court, unless the people's court considers that the recognition or enforcement of such judgment or ruling would violate the basic legal principles of the PRC, its sovereignty or national security or would not be in social and public interest.

THE COMPANY LAW, TRIAL MEASURES AND GUIDELINES FOR ARTICLES OF ASSOCIATION

A joint stock limited company established in the PRC seeking a listing on The HKSE is mainly subject to the following laws and regulations of the PRC.

The Company Law of the PRC (《中華人民共和國公司法》) (the "**Company Law**") was adopted by the Standing Committee of the Eighth NPC at its Fifth Session on December 29, 1993 and came into effect on July 1, 1994. It was successively amended on December 25, 1999, August 28, 2004, October 27, 2005, December 28, 2013, October 26, 2018 and December 29, 2023. The latest revision of the Company Law became effective on July 1, 2024.

The Trial Measures and relevant guidelines promulgated by the CSRC on February 17, 2023 and came into effect on March 31, 2023, and were applicable both direct and indirect overseas share subscription and listing of domestic enterprises. The Trial Measures also set out the filing and administration methods and regulatory requirements for the overseas issuance of securities and listing of domestic enterprises.

According to the Trial Measures and its interpretative guidelines, where a domestic company directly offers and list overseas, it shall formulate its articles of association in line with the Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》), in place of the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (《到境外上市公司章程必備條款》) which ceased to apply from March 31, 2023. The latest revision of the Guidelines for Articles of Association of Listed Companies became effective on March 28, 2025.

Set out below is a summary of the major provisions of the Company Law, the Trial Measures and the Guidelines for Articles of Association of Listed Companies which are applicable to our Company.

General Provisions

"A joint stock limited company" means a corporate legal person incorporated in China under the Company Law, whose registered capital is divided into shares of equal par value. The liability of its shareholders is limited to the extent of the shares they have subscribed for and the liability of a company is limited to the full value of all the property owned by it.

A company must conduct its business in accordance with laws and regulations as well as public and commercial ethics. A company may invest in other limited liability companies. The liabilities of the company to such invested companies are limited to the amount invested. Unless otherwise provided by laws, a company cannot be the capital contributor who has the joint liabilities associated with the debts of the invested enterprises.

Incorporation

A joint stock limited company may be incorporated by promotion or subscription. A joint stock limited company may be incorporated by a minimum of one but not more than 200 promoters, and at least half of the promoters must have residence within the PRC.

The promoters shall convene an inaugural meeting of the company within 30 days after the share capital has been paid-up and shall notify all subscribers the date of the meeting or make an announcement in this regard 15 days before the meeting. The inaugural meeting may be held only in the presence of promoters and subscribers holding more than 50% of the total number of shares. Powers to be exercised at the inaugural meeting include but not limited to the adoption of articles of association and the election of members of the Board of Directors and the Supervisory Committee of a company. The aforesaid matters shall be resolved by more than 50% of the votes to be cast by subscribers present at the meeting.

Within 30 days after the conclusion of the inaugural meeting, the Board of Directors shall authorize a representative to file an application for registration of establishment with the company registration authority. A company is formally established and has the status of a legal person after the business license has been issued by the relevant registration authority.

Registered Shares

Under the Company Law, shareholders may make capital contributions in cash or with non-cash assets (e.g., physical assets, intellectual property, land use rights, shares, claims) that can be valued in cash and legally transferred, except where prohibited by law. If capital contribution is made other than in cash, valuation and verification of the property contributed must be carried out and converted into shares.

Under the Trial Measures, if a domestic enterprise issues shares overseas, it may raise funds and distribute dividends in foreign currencies or RMB.

Under the Company Law, a joint stock limited company is required to maintain a register of shareholders, detailing the following information: (i) the name and domicile of each shareholder; (ii) the class and number of shares subscribed for by each shareholder; (iii) the serial number of shares if issued in paper form; and (iv) the date on which each shareholder acquired the shares.

Allotment and Issue of Shares

All issue of shares of a joint stock limited company shall be based on the principles of equality and fairness. The same class of shares must carry equal rights. Shares issued at the same time and within the same class must be issued on the same conditions and at the same price. It may issue shares at par value or at a premium, but it may not issue shares below the par value.

Domestic enterprises listing overseas are required to file with the CSRC under the Trial Measures, submitting a filing report, legal opinion, and other materials, accurately disclosing shareholder information. For direct overseas listings, the issuer files with the CSRC.

Increase of Share Capital

Pursuant to the relevant provisions of the Company Law, where a joint stock limited company intends to issue new stocks, its Shareholders' Meeting shall make a resolution about the following matters:

i. the class and amount of the new stocks;

ii. the issue price of the new stocks;

iii. the beginning and ending dates for the issuance of the new stocks;

iv. the class and amount of the new stocks to be issued to the original shareholders; and

v. if any no par value stock is issued, the proceeds from the issuance of the new stocks shall be included into the registered capital.

Where a company intends to make a public offering of shares, it shall go through the registration with the securities regulatory authority of the State Council and announce the prospectus.

Reduction of Share Capital

A company may reduce its registered capital in accordance with the following procedures prescribed by the Company Law:

i. the company shall prepare a balance sheet and an inventory of property;

ii. the reduction of registered capital must be approved by shareholders at the Shareholders' Meeting;

iii. the company shall notify its creditors within ten days from the date of the resolution of the Shareholders' Meeting to reduce the registered capital and make an announcement in the newspaper or the National Enterprise Credit Information Publicity System within thirty days;

iv. the creditors have the right to demand the company to settle the debts or provide corresponding guarantees within thirty days from the date of receipt of the notice, or within forty-five days from the date of the announcement if the notice has not been received; and

v. when a company reduces its registered capital, it shall register the change with a company registration authority in accordance with the law.

Where a company reduces its registered capital, it shall reduce the amount of capital contribution or shares in proportion to the capital contribution or shares held by the shareholders, unless it is otherwise prescribed by any law, or is agreed upon by all the shareholders of a limited liability company or is otherwise prescribed by the articles of association of a joint stock limited company.

Repurchase of Shares

Under the Company Law, no company may purchase its own shares except under any of the following circumstances:

i. Reducing registered capital (requires Shareholders' Meeting approval);

ii. Merging with a company holding its shares;

iii. Using the shares for implementing employee shareholding or equity incentive plans (requires board resolution under articles of association or shareholders' authorization);

iv. With respect to shareholders voting against any resolution adopted at the Shareholders' Meeting on the merger or division of our Company, the right to demand our Company to acquire the shares held by them;

v. Using the shares for the conversion of convertible corporate bonds issued by the listed company; or

vi. Necessity for a listed company to maintain its company value and the rights of its shareholders (requires public centralized trading).

The purchase of shares of a company for reasons specified in the case of (i) to (ii) above shall be subject to the resolution of the Shareholders' Meeting; the purchase of shares of a company for reasons specified in the case of (iii), (v) and (vi) above shall be subject to the resolution of the board meetings attended by more than two-thirds of the directors in accordance with the provisions of the articles of association or the authorization from the meeting.

Following the purchase of a company's shares by a company in accordance with the above provisions, such shares shall be canceled within 10 days from the date of buy-back in the case of item (i) above; such shares shall be transferred or canceled within six months in the case of items (ii) and (iv) above; the total numbers of shares of our Company held by a company shall not exceed 10% of the total issued shares of our Company, and shall be transferred or canceled within three years in the case of items (iii), (v) and (vi) above.

A listed company purchasing its own shares shall perform information disclosure obligations in accordance with the Securities Law of the PRC. A listed company purchasing its own shares for reasons specified in the case of (iii), (v) and (vi) above shall purchase the shares in a public and centralized trading manner.

Transfer of Shares

Shares held by a shareholder may be transferred according to the law. Under the Company Law, the share transfer by a shareholder shall be conducted on a lawfully established stock exchange or by any other means as prescribed by the State Council. The stocks shall be transferred by a shareholder in the form of endorsement or by any other means prescribed by the relevant laws or administrative regulations. After the transfer, the company shall record the name and domicile of the transferee in the register of shareholders. The register of shareholders shall not be modified within 20 days before any Shareholders' Meeting is held, or within 5 days prior to the benchmark date decided by the company for the distribution of dividends. Where it is otherwise provided for in any law, administrative regulation or by the securities regulatory authority of the State Council for the modification of the register of shareholders of a listed company, such provisions shall prevail.

Shareholders' obligations include the obligation to comply with the company's articles of association, to pay the subscription price in respect of the shares subscribed for and in accordance with the form of making capital contributions, and to be liable for the company's debts and liabilities up to their subscribed shares, as well as any other obligations stipulated in the articles of association.

The directors and senior executives of the company shall declare to the company the shares they hold and the changes thereof. During the term of office as determined when they assume the posts, the shares transferred each year shall not exceed 25% of the total shares they hold of the company. The shares of the company held by them shall not be transferred within 1 year as of the day when the stocks of the company are listed and traded on the stock exchange. Any of the aforesaid persons shall not transfer the shares of the company held within six months after he/she leaves office. Any other restrictions on the transfer of company shares held by directors or senior executives may be specified in the articles of association.

Where the shares are pledged within the time limit for restricted transfer as provided for by laws and administrative regulations, the pledgee may not exercise the pledge right within such restricted period.

Shareholders

Under the Company Law and the Guidelines for Articles of Association of Listed Companies the rights of a shareholder include:

i. to receive dividends and other forms of distributions in proportion to their shareholdings;

ii. to legally require, convene, preside over, participate in or authorize proxies of Shareholders to attend the Shareholders' Meeting and exercise corresponding voting rights;

iii. to supervise business operations of the company, and to present proposals or to raise inquiries;

iv. to transfer shares in accordance with laws, administrative regulations and the provisions of the articles of association;

v. to read and copy the Articles of Association, the register of Shareholders, Shareholders' Meeting minutes, resolutions of meetings of the Board of Directors and financial and accounting reports;

vi. in the event of the winding-up or liquidation of a company, to participate in the distribution of remaining property of a company in proportion to the number of shares held;

vii. to require the company to acquire the shares from Shareholders voting against any resolutions adopted at the Shareholders' Meeting concerning the merger and division of the Company;

viii. other rights conferred by laws, administrative regulations and the articles of association.

The obligations of a shareholder include:

i. to abide by laws, administrative regulations and the Articles of Association;

ii. to provide Share capital according to the Shares subscribed for and Share participation methods;

iii. not to abuse Shareholders' rights to infringe upon the interests of the Company or other Shareholders; not to abuse the Company's status as an independent legal entity or the limited liability of Shareholders to damage the interests of the Company's creditors; and

iv. to perform other duties prescribed in laws, administrative regulations, departmental rules and the securities regulatory rules of the place where the Company's shares are listed.

Shareholders' Meeting

Under the PRC Company Law, the Shareholders' Meeting of a joint stock limited company is made up of all shareholders. The Shareholders' Meeting is the authority of a company, which shall exercise the following functions and powers:

i. electing and replacing directors and supervisors and deciding on their remunerations;

ii. deliberating on and approving the reports of the board of directors;

iii. deliberating on and approving the reports of the board of supervisors;

iv. deliberating on and approving the plans for profit distribution and making up losses of the company;

v. making resolutions on the increase or decrease of the registered capital of the company;

vi. making resolutions on the issuance of corporate bonds;

vii. making resolutions on the merger, split-up, dissolution, liquidation or change of corporate form of the company;

viii. amending the articles of association; and

ix. other functions and powers as prescribed in the articles of association.

Under the Company Law, an annual Shareholders' Meeting shall be held every year. If any of the following circumstances occurs, an interim Shareholders' Meeting shall be held within two months:

i. where the number of directors is less than two thirds of the number as provided for by the Company Law or the articles of association;

ii. where the unrecovered losses of the company reach one third of the total capital stock;

iii. where the shareholders who separately or aggregately hold 10% or more of the company's shares so request;

iv. where the board of directors deems it necessary;

v. where the board of supervisors so proposes; or

vi. other circumstances as provided for in the articles of association.

The Shareholders' Meeting shall be convened by the board of directors and presided over by the chairman of the board of directors. If the chairman is unable or fails to perform his/her duties, the meeting shall be presided over by the deputy chairman. If the deputy chairman is unable or fails to perform his/her duties, the meeting shall be presided over by a director jointly elected by more than half of the directors.

If the board of directors is unable or fails to perform the duties of convening the Shareholders' Meeting, the board of supervisors shall timely convene and preside over the meeting. If the board of supervisors fails to convene and preside over the meeting, shareholders who separately or aggregately hold 10% or more of the shares of the company for 90 or more consecutive days may convene and preside over the meeting by themselves.

If the shareholders who separately or aggregately hold 10% or more of the shares of the company request to convene an interim Shareholders' Meeting, the board of directors and the board of supervisors shall, within 10 days after the receipt of such request, decide whether to hold an interim Shareholders' Meeting and reply to the shareholders in writing.

The time and place of the meeting and the matters to be deliberated shall be notified to each shareholder 20 days before a Shareholders' Meeting is held. For an interim Shareholders' Meeting, a notice shall be served 15 days in advance.

The shareholders who separately or aggregately hold 1% or more of the shares of the company may, 10 days before a Shareholders' Meeting is held, submit an interim proposal in writing to the board of directors. The interim proposal shall contain a clear topic for discussion and specific matters for resolution. The board of directors shall, within 2 days after it receives such a proposal, notify other shareholders and submit the interim proposal to the Shareholders' Meeting for deliberation, unless the interim proposal is in violation of any law, administrative regulation or the articles of association or fails to fall into the scope of functions of the Shareholders' Meeting. The company shall not raise the shareholding proportion of the shareholder who brings forward any interim proposal.

Under the Company Law, a shareholder may entrust a proxy to attend a Shareholders' Meeting, and it should clarify the matters, power and time limit of the proxy. The proxy shall present a written power of attorney issued by the shareholder to a company and shall exercise his voting rights within the scope of authorization. There is no specific provision in the Company Law regarding the number of shareholders constituting a quorum in a Shareholders' Meeting.

Under the Company Law, a shareholder who attends the Shareholders' Meeting has one vote for each share held by it, except the shareholders of classified shares. The company may not have a voting right for the shares it holds.

Under the Company Law and the Guidelines for Articles of Association of Listed Companies, a resolution made at the Shareholders' Meeting shall be adopted by more than half of the voting rights held by the shareholders who attend the meeting. A resolution made at the Shareholders' Meeting on modifying the articles of association, increasing or reducing the registered capital as well as merger, split-up, dissolution or change of the corporate form shall be adopted by more than two thirds of the voting rights held by the shareholders who attend the meeting.

The Shareholders' Meeting may, in electing the directors or supervisors, adopt a cumulative voting system according to the articles of association or the resolutions of the Shareholders' Meeting. Under the cumulative voting system, when the Shareholders' Meeting elects the directors or supervisors, each shareholder is entitled to one vote per share, multiplied by the number of candidates and uses them all for one candidate for director or supervisor.

The Board of Directors

Under the Company Law, a joint stock limited company shall have a board of directors, which consists of more than three members. The term of office of directors shall be prescribed in the articles of association, but each term shall not exceed three years. After the term of office of a director expires, he/she may be reelected to serve another term.

Under the Company Law, the board of directors shall have one chairman and may have deputy chairmen. The chairman and deputy chairmen shall be elected by more than half of all the directors. The chairman shall convene and preside over the meetings of the board of directors and check the implementation of the resolutions of the board of directors. The deputy chairman shall assist the chairman in work. If the chairman is unable or fails to perform his/her duties, the deputy chairman shall perform such duties. If the deputy chairman is unable or fails to perform his/her duties, a director jointly elected by more than half of the directors shall perform such duties.

Pursuant to the Company Law, under any of the following circumstances, anyone may not act as a director of a company:

i. having no capacity for civil conduct or having limited capacity for civil conduct;

ii. having been sentenced to any criminal penalty due to an offense of corruption, bribery, encroachment of property, misappropriation of property or disrupting the order of the socialist market economy, or having been deprived of political rights due to a crime, where a five-year period has not elapsed since the expiration of execution period; If he/she is pronounced for suspension of sentence, a two-year period has not elapsed since the expiration of the suspension of sentence;

iii. serving as a director, factory director or manager of a company or enterprise which has been bankrupt and liquidated and being personally liable for the bankruptcy of such company or enterprise, where a three-year period has not elapsed since the completion of the bankruptcy and liquidation;

iv. acting as the legal representative of a company or enterprise whose business license has been revoked or which was ordered to close down due to any violation of the law and being personally liable, where a three-year period has not elapsed since the date of revocation of business license or the order for closure; or

v. being listed as a dishonest person subject to enforcement by the people's court due to his/her failure to pay off a relatively large amount of due debts.

The board of directors shall convene at least two meetings every year. Each meeting shall be notified to all directors and supervisors 10 days before it is held. The board of directors shall exercise the following functions and powers:

i. convening the Shareholders' Meeting and reporting its work to the Shareholders' Meeting;

ii. executing the resolutions of the Shareholders' Meeting;

iii. deciding the business plans and investment scheme of the company;

iv. formulating the plans for profit distribution and making up for loss of the company;

v. formulating the plan for increasing or decreasing the registered capital, as well as the plan for issuance of corporate bonds;

vi. formulating the plan for merger, division, dissolution, or change of corporate form of the company;

vii. deciding the establishment of the internal management body of the company;

viii. deciding the appointment or dismissal of the manager of the company and the remuneration thereof, and, according to the nomination of the manager, deciding on hiring or dismissing deputy managers and financial director of the company as well as their remuneration;

ix. formulating the basic management rules of the company; and

x. other functions and powers specified in the articles of association or granted by the Shareholders' Meeting.

No meeting of the board of directors may be held unless more than half of the directors are present. A resolution made by the board of directors shall be adopted by more than half of all the directors. For voting on a resolution of the board of directors, each director shall have one vote. The board of directors shall prepare minutes regarding the decisions on the matters discussed at the meetings, which shall be signed by the directors present.

The directors shall attend the meeting of the board of directors in person. Where any director is unable to attend the meeting for any reason, he/she may, by issuing a written power of attorney, entrust another director to attend the meeting on his/her behalf. The power of attorney shall indicate the scope of authorization. The directors shall be responsible for the resolutions made by the board of directors.

Where a resolution of the board of directors is in violation of any law, administrative regulation, article of association or resolution of the Shareholders' Meeting and causes any serious loss to the company, the directors who participate in adopting such resolution shall be liable for compensation to the company. If a director is proved to have expressed his/her objection to the voting on such resolution and such objection has been recorded in the minutes, he/she may be exempted from liability.

The Board of Supervisors

Under the Company Law, a joint stock limited company may have a board of supervisors which shall comprise 3 members or more. The members of the board of supervisors shall include shareholders' representatives and an appropriate proportion of employees' representatives of the company, among which the proportion of the employees' representatives shall not be lower than one third, and the concrete proportion shall be specified in the articles of association. The employees' representatives who serve as members of the board of supervisors shall be democratically elected by employees through the employees' representative congress, employees' congress or by other means. No director or senior executive may concurrently hold the post of supervisor.

The board of supervisors shall have one chairman and may have deputy chairmen. The chairman and deputy chairmen of the board of supervisors shall be elected by more than half of all the supervisors. The chairman of the board of supervisors shall convene and preside over the meetings of the board of supervisors. If the chairman of the board of supervisors is unable or fails to perform his/her duties, the deputy chairman of the board of supervisors shall convene and preside over the meeting. If the deputy chairman is unable or fails to perform his/her duties, a supervisor jointly elected by more than half of the supervisors shall convene and preside over such meeting.

The board of supervisors shall exercise the following functions and powers:

i. examining the financial affairs of the company;

ii. supervising the acts of the directors and senior executives in the performance of their duties, and proposing the removal of the directors and senior executives who have violated laws, administrative regulations, the articles of association or the resolutions of the Shareholders' Meeting;

iii. requiring the directors and senior executives to correct their acts if such acts damage the interests of the company;

iv. proposing to convene an interim Shareholders' Meeting, and convening and presiding over the Shareholders' Meeting when the board of directors fails to implement the duties to convene and preside over the Shareholders' Meeting as prescribed in the Company Law;

v. presenting proposals to the Shareholders' Meeting;

vi. initiating lawsuits against the directors and senior executives according to Article 189 of the Company Law; and

vii. other functions and powers provided for in the articles of association.

A joint-stock company may, instead of setting up board of supervisors, in accordance with the provisions of its articles of association, set up an audit committee consisting of directors on its board of directors to exercise the powers and functions of the board of supervisors.

On December 27, 2024, the CSRC promulgated the Transitional arrangements relating to the implementation of the rules under the new Company Law (關於新《公司法》配套制度規則實施相關過渡期安排), Listed companies shall, before January 1, 2026, in accordance with the provisions of the Company Law, the Provisions of the State Council on Implementation of the Registered Capital Management System under the Company Law of the PRC and the supporting rules of the CSRC, provide in the articles of association for the establishment of an audit committee in the board of directors, exercising the powers and functions of the supervisory board as stipulated in the Company Law, the listed companies will then have no supervisory board or supervisors. Before a listed company adjusts the establishment of the company's internal supervisory body, the supervisory board or supervisors shall continue to comply with the provisions in the original rules of the CSRC.

Managers and Senior Management

Under the Company Law, a joint stock limited company may have a manager, who shall be appointed or removed as decided by the board of directors. The manager shall be responsible to the board of directors and exercise his/her functions and powers according to the articles of association or the authorization of the board of directors. The manager shall attend the meetings of the board of directors as a non-voting member.

According to the Company Law, senior management refers to the company manager, deputy company manager, head of finance, secretary to the board of directors of a listed company, and any other persons as specified in the company's articles of association.

Duties of Directors, Supervisors and Senior Management

Directors, supervisors and senior management of the company are required under the Company Law to comply with the relevant laws, regulations and the articles of association, and have fiduciary and diligent duties to the company. Directors, supervisors and senior executives shall assume the obligation of loyalty to the company and take measures to avoid the conflict between their own interests and those of the company and may not seek any improper interests by taking advantage of their powers.

The directors, supervisors and senior executives shall assume the duty of diligence to the company. When performing their duties, they shall, for the best interests of the company, exercise the reasonable care that shall be generally possessed by a manager.

Directors, supervisors and senior management are prohibited from:

i. embezzling the property or misappropriating the funds of the company;

ii. depositing the funds of the company into an account opened in his/her own name or in the name of any other individual;

iii. giving bribes or accepting any other illegal proceeds by taking advantage of his/her power;

iv. taking commissions from the transactions between the company and any other person into his/her own pocket;

v. unlawfully disclosing the confidential information of the company; or

vi. other acts in violation of the obligation of loyalty to the company.

Where any director, supervisor or senior executive directly or indirectly concludes a contract or conducts a transaction with his/her company, he/she shall report the matters relating to the conclusion of the contract or transaction to the board of directors or Shareholders' Meeting, which shall be subject to the resolution of the board of directors or Shareholders' Meeting according to the articles of association.

Where any of the near relatives of the directors, supervisors or senior executives, or any of the enterprises directly or indirectly controlled by the directors, supervisors or senior executives or any of their near relatives, or any of the related parties who have any other related-party relationship with the directors, supervisors or senior executives, concludes a contract or conducts a transaction with the company, the provisions of the preceding paragraph shall apply.

No director, supervisor or senior executive may take advantage of his/her position to seek any business opportunity that belongs to the company for himself/herself or any other person except under any of the following circumstances:

i. where he/she has reported to the board of directors or the Shareholders' Meeting and has been approved by a resolution of the board of directors or the Shareholders' Meeting according to the articles of association; or

ii. where the company cannot make use of the business opportunity as stipulated by laws, administrative regulations or the articles of association.

Where any director, supervisor or senior executive fails to report to the board of directors or the Shareholders' Meeting and obtain an approval by resolution of the board of directors or the Shareholders' Meeting according to the articles of association, he/she may not engage in any business that is similar to that of the company where he/she holds office for himself/herself or for any other person.

Where any director, supervisor or senior executive violates any law, administrative regulation or the articles of association during the performance of duties and causes any loss to the company, he/she shall be liable for compensation.

Finance and Accounting

Under the Company Law, a company shall establish its financial and accounting systems according to laws, administrative regulations and the regulations of the financial department of the State Council. At the end of each fiscal year, the company shall prepare a financial accounting report which shall be audited by an accounting firm in accordance with the law. The financial accounting report shall be prepared in accordance with the laws, administrative regulations and the regulations of the financial department of the State Council.

The financial accounting report of a joint stock limited company shall be made available for inspection by the shareholders at the company not later than twenty days before the annual meeting of shareholders; a joint stock limited company that has publicly issued shares shall announce its financial accounting report.

The premiums received by a company from the issuance of shares at an issue price in excess of the par value of the shares, the amount of share proceeds from the issuance of no-par shares that have not been credited to the registered capital, and other items required by the financial department of the State Council to be included in the capital reserve shall be classified as the capital reserve of the company.

The reserve of a company shall be used for making up losses, expanding the production and business scale or increasing the registered capital of the company. Where the reserve of a company is used for making up losses, the discretionary reserve and statutory reserve shall be firstly used. If losses still cannot be made up, the capital reserve can be used according to the relevant provisions. Where the statutory reserve is converted to increase registered capital, the amount of such reserve retained shall not be less than 25% of the registered capital of the company prior to the conversion.

No company may keep any accounting books other than the statutory accounting books. No account shall be opened in the name of any individual for the deposit of a company's funds.

Appointment and Dismissal of Accounting Firms

Pursuant to the Company Law, the employment or dismissal of an accounting firm undertaking a company's auditing business shall be decided by the Shareholders' Meeting, the board of directors or the board of supervisors in accordance with the provisions of the company's articles of association. When a company's Shareholders' Meeting, board of directors or the board of supervisors votes on the dismissal of an accounting firm, the accounting firm shall be allowed to state its own opinions. A company shall provide true and complete accounting documents, accounting books, financial accounting reports and other accounting information to the accounting firm engaged by it, and shall not refuse, conceal or misrepresent them.

The Guidelines for Articles of Association of Listed Companies provide that the Company's engagement of an accounting firm shall be decided by the Shareholders' Meeting. The board of directors shall not engage any accounting firm before the decision is made by the Shareholders' Meeting. The audit fee to the accounting firm shall be decided by the Shareholders' Meeting.

Profit Distribution

When a company distributes its after-tax profit for the current year, 10% of the profit shall be accrued and included in the company's statutory reserve. Such accrual is no longer required when the accumulated amount of the company's statutory reserve is 50% or more of the company's registered capital. Where the cumulative amount of the company's statutory reserve is not enough to make up for the losses of the previous year, the current year's profits shall first be used to make up for the losses before the statutory reserve is accrued according to the provisions of the preceding provision. After having accrued statutory reserves from the after-tax profits, a company can also set aside discretionary reserve from the after-tax profits upon a resolution made by the Shareholders' Meeting. The residual after-tax profits after a company has made up its losses and accrued reserve shall be distributed by the company (in the case of a joint stock limited company) in proportion to the shares held by its shareholders, except as otherwise provided for in the company's articles of association. Profit shall not be distributed for a company's shares held by this company.

Where a company distributes profits to shareholders in violation of the provisions of the Company Law, the shareholders shall refund the profits distributed to the company, and the shareholders and the liable directors, supervisors and senior executives shall be held liable for compensation if any loss is caused to the company.

If the Shareholders' Meeting resolves to distribute profits, the board of directors shall do so within six months after the resolution is made.

Dissolution and Liquidation

According to the Company Law, a company shall be dissolved for the following reasons:

i. the expiration of the business period stipulated in the company's articles of association or the occurrence of other causes of dissolution stipulated in the company's articles of association;

ii. dissolution by a resolution of the Shareholders' Meeting;

iii. dissolution due to merger or demerger of the company;

iv. suspension of the business license, being ordered to close down or being revoked in accordance with the law; or

v. being dissolved by the People's Court in accordance with the provisions of Article 231 of the Company Law.

If any of the situations as mentioned in the preceding paragraph arises, a company shall publicize the situations through the National Enterprise Credit Information Publicity System within ten days.

Where the company is dissolved in accordance with sub-paragraph (i) above, it may carry on its existence by amending its articles of association or upon a resolution of the Shareholders' Meeting, which must be approved by more than two-thirds of the voting rights held by the shareholders present at the Shareholders' Meeting. Where the company is dissolved pursuant to sub-paragraphs (i), (ii), (iv) or (v) above, it shall be liquidated. The directors, who are the liquidation obligors of the company, shall form a liquidation group to carry out liquidation within 15 days from the date of occurrence of the cause of dissolution. The liquidation group shall be composed of the directors, unless it is otherwise provided for in the company's Articles of Association or it is otherwise elected by the Shareholders' Meeting. The liquidation obligors shall be liable for compensation if they fail to fulfill their obligations of liquidation in a timely manner, and thus any loss is caused to the company or the creditors.

If the liquidation group fails to be formed within the time limit or fails to carry out the liquidation after its formation, any interested party may request the people's court to designate relevant persons to form a liquidation group. The people's court shall accept such requests and organize a liquidation group to carry out the liquidation in a timely manner.

The liquidation group may exercise the following functions during the period of liquidation:

i. liquidating the property of the company, preparing a balance sheet and an inventory of property, respectively;

ii. notifying the company's creditors by mail or public announcement;

iii. handling and liquidating the unfinished business of the company;

iv. paying off the taxes overdue by the company and the taxes incurred in the process of liquidation;

v. liquidation of claims and debts;

vi. distributing the remaining property after all the debts of the company are paid off; and

vii. representing the company in civil litigation activities.

The liquidation group shall notify the company's creditors within ten days as of its formation and shall make a public announcement in the newspaper or on the National Enterprise Credit Information Publicity System within 60 days. The creditors shall file their proofs of claim with the liquidation group within 30 days as of the receipt of the notice or within 45 days as of the issuance of the public announcement in the case of failing to receive such notice. When filing a proof of claim, the creditor shall describe the relevant matters of claim and provide the relevant evidentiary materials. The liquidation group shall register the proof of claim. During the period for filing proofs of claims, the liquidation group shall not pay off any of the creditors.

The liquidation group shall, after liquidating the property of the company and preparing a balance sheet and an inventory of property, make a plan of liquidation and report the same to the Shareholders' Meeting or the people's court for confirmation.

After paying off the liquidation expenses, wages of employees, social insurance premiums and statutory compensations, the outstanding taxes and the debts of the company with the property of the company, the remaining assets may, in the case of a limited liability company, be distributed in proportion to capital contributions of the shareholders, and in the case of a joint stock limited company, distributed in proportion to the shares held by the shareholders.

During the period of liquidation, the company survives, but shall not carry out any business operation unrelated to the liquidation. The property of the company shall not be distributed to the shareholders until it has been liquidated in accordance with the preceding paragraph.

Where the liquidation group finds that the property of the company are not sufficient for paying off the debts after liquidating the property of the company and preparing a balance sheet and an inventory of property, it shall file an application to a people's court for bankruptcy liquidation. After the people's court accepts the application for bankruptcy, the liquidation group shall hand over the liquidation matters to the bankruptcy administrator designated by the people's court.

The members of the liquidation group performing their duties of liquidation are obliged to loyalty and diligence. Any member of the liquidation group who neglects to fulfill his/her liquidation duties, thus causing any loss to the company shall be liable for compensation, and any member of the liquidation group who causes any loss to any creditor due to his/her intentional or gross negligence shall be liable for compensation.

Upon completion of the liquidation of the company, the liquidation group shall produce a liquidation report, report the same to the Shareholders' Meeting or the people's court for confirmation, and submit the same to the company registration authority to apply for deregistration of the company.

Where, after three years since the business license of a company is revoked, or the company is ordered to close down or is revoked, the company fails to apply for its deregistration with the company registration authority, the said authority may announce the company's deregistration through the National Enterprise Credit Information Publicity System for a period of no less than 60 days. If there is no objection after the announcement period expires, the company registration authority may deregister the company.

Overseas Listing

According to the Trial Measures, initial public offerings or listings in overseas markets shall be filed with the CSRC within 3 working days after the relevant application is submitted overseas. Subsequent securities offerings of an issuer in the same overseas market where it has previously offered and listed securities shall be filed with the CSRC within 3 working days after the offering is completed. Subsequent securities offerings and listings of an issuer in other overseas markets than where it has offered and listed shall be filed pursuant to provisions in the first sentence of this paragraph.

Loss of Share Certificates

If a share certificate is lost, stolen or destroyed, the relevant shareholder may apply, in accordance with the relevant provisions set out in the PRC Civil Procedure Law, to a people's court to declare such certificate invalid. After the people's court declares the invalidity of such certificate, the shareholder may apply to the company for a replacement share certificate.

Suspension and Termination of Listing

The Company Law has deleted provisions governing suspension and termination of listing. The PRC Securities Law (2019 revision) (《中華人民共和國證券法(2019年修訂)》) has also deleted provisions regarding suspension of listing. Where listed securities fall under the delisting circumstances stipulated by the stock exchange, the stock exchange shall terminate its listing and trading in accordance with the business rules.

According to the Trial Measures, upon the occurrence of voluntary or mandatory delisting after an issuer has offered and listed securities in an overseas market, the issuer shall submit a report thereof to CSRC within 3 working days after the occurrence and public disclosure of the event.

SECURITIES LAW AND REGULATIONS

The PRC has enacted various regulations on share issuance, trading, and information disclosure. In October 1992, the State Council established the Securities Committee and the CSRC. The Securities Committee is responsible for coordinating the drafting of securities regulations, formulating securities-related policies, planning the development of securities markets, directing, coordinating and supervising all securities-related institutions in the PRC and administering the CSRC. The CSRC is the regulatory arm of the Securities Committee and is responsible for the drafting of regulatory provisions of securities markets, supervising securities companies, regulating public offers of securities by Chinese companies in the Chinese Mainland or overseas, regulating the trading of securities, compiling securities-related statistics and undertaking research and analysis. On March 29, 1998, the State Council consolidated the above two departments and reformed the CSRC.

The Provisional Regulations Concerning the Issue and Trading of Shares (《股票發行與交易管理暫行條例》) promulgated by the State Council and effective on April 22, 1993 provide the application and approval procedures for the public issue of shares, trading of shares, takeover of listed companies, the deposit, settlement and transfer of listed shares, the disclosure of information by listed companies, investigation and penalties, and arbitration of disputes.

The Regulations of the State Council Concerning the Domestic Listed Foreign Shares of Joint Stock Limited Companies (《國務院關於股份有限公司境內上市外資股的規定》), which were promulgated by the State Council and came into effect on December 25, 1995, mainly provide for the issue, subscription, trading and payment of dividends of domestic listed foreign shares and disclosure of information of joint stock limited companies with domestic listed foreign shares.

The PRC Securities Law (《中華人民共和國證券法》) took effect on July 1, 1999 and revised on August 28, 2004, October 27, 2005, June 29, 2013, August 31, 2014 and December 28, 2019 respectively. This is the first national securities law in the PRC, which is divided into 14 chapters and 226 articles regulating, among other things, the issue and trading of securities, takeovers by listed companies, the duties and responsibilities of securities exchanges, securities companies and the State Council's securities regulatory authorities. The PRC Securities Law comprehensively regulates activities in the PRC securities market. Article 224 of the PRC Securities Law provides that any domestic enterprise that seeks to issue securities overseas either directly or indirectly or to list its stocks in overseas markets shall comply with the relevant provisions of the State Council. Currently, the issue and trading of foreign issued shares (including H shares) are mainly governed by the rules and regulations promulgated by the State Council and the CSRC.

ARBITRATION AND ENFORCEMENT OF ARBITRAL AWARDS

Under the Arbitration Law of the People's Republic of China (《中華人民共和國仲裁法》) (the "**Arbitration Law**"), amended by the SCNPC on September 1 2017 and effective on January 1 2018, the Arbitration Law is applicable to economic disputes involving foreign parties, and all parties have entered into a written agreement to refer the matter to an arbitration committee constituted in accordance with the Arbitration Law. An arbitration committee may, before the promulgation by the PRC Arbitration Association of arbitration regulations, formulate interim arbitration rules in accordance with relevant regulations under the Arbitration Law and the PRC Civil Procedure Law. Where the disputing parties have reached an arbitration agreement and one party applies to the People's Court to have the case heard, the People's Court shall not deal with this, except if the arbitration agreement is invalid.

Under the Arbitration Law, an arbitral award is final and binding on the parties. If a party fails to comply with an award, the other party to the award may apply to the people's court for enforcement according to the PRC Civil Procedure Law. A people's court may refuse to enforce an arbitral award made by an arbitration commission if there is any procedural irregularity (including irregularity in the composition of the arbitration committee or the making of an award on matters beyond the scope of the arbitration agreement or the jurisdiction of the arbitration commission). Where a party applies for enforcement of an arbitral award made in the PRC pursuant to the law which has come into legal effect, and the person subject to enforcement or its properties are not located in the PRC, the party may apply to a foreign court with jurisdiction over the case for recognition and enforcement. Similarly, an arbitral award made by a foreign arbitration body may be recognized and enforced by the people's court in accordance with the principles of reciprocity or any international treaty concluded or acceded to by the PRC.

According to the Arrangement of the Supreme People's Court on Mutual Enforcement of Arbitral Awards between the Chinese Mainland and the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的安排》) promulgated by the Supreme People's Court on January 24, 2000 and effective on February 1, 2000, and the Supplementary Arrangement of the Supreme People's Court on Mutual Enforcement of Arbitral Awards between the Chinese Mainland and the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的補充安排》) promulgated by the Supreme People's Court on November 26, 2020 and effective on November 27, 2020, awards made by PRC arbitral authorities can be enforced in Hong Kong, and Hong Kong arbitration awards are also enforceable in the PRC.

JUDICIAL JUDGMENT AND ITS ENFORCEMENT

According to the Arrangement on Mutual Recognition and Enforcement of Judgments in Civil and Commercial Matters by Courts of Chinese Mainland and of the Hong Kong Special Administrative Region (《最高人民法院關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》) promulgated by the Supreme People's Court on January 25, 2024 and implemented on January 29, 2024, except for judgments in civil and commercial cases that are not applicable under Article 3 of this Arrangement, judgments that can be recognized and enforced in both places are those made by Chinese Mainland and Hong Kong Special Administrative Region courts on or after January 29, 2024. The mutually recognized and enforced judgments include monetary judgments and non-monetary judgments. Upon implementation of this Arrangement, the Arrangement on Mutual Recognition and Enforcement of Judgments in Civil and Commercial Matters by Courts of Chinese Mainland and of the Hong Kong Special Administrative Region Pursuant to Agreed Jurisdiction by Parties Concerned (《最高人民法院關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排》) which was adopted by the Judicial Committee of the Supreme People's Court on June 12, 2006 and took effect on August 1, 2008 has been repealed.

This Appendix mainly provides investors with an overview of the Articles of Association. As the following information is in summary form, it does not contain all the information that may be important to investors.

SHARES AND REGISTERED CAPITAL

The shares of the Company shall take the form of share certificates. In addition to the matters required to be stated on the company's share certificates under the Company Law, the share certificates shall also include other matters required to be stated by the stock exchange where the company's shares are listed.The H shares issued by the company may be in the form of overseas depositary receipts or other derivative forms of shares in accordance with the securities regulatory rules of the place where the company's shares are listed and the customary practice for securities registration and custody.

The Company shall issue shares in an open, equitable and fair manner, and each of the shares in the same class shall carry the same rights. The A shares and H shares issued by the Company shall rank pari passu in all distributions by way of dividends (including distributions in cash and in specie) or otherwise.

Shares of the same class and the same issuance shall be issued on the same conditions and at the same price. Any entity or individual shall pay the same price for each of the shares that it/he/she subscribes for.

All shares issued by the Company shall be denominated in RMB.

INCREASE, REDUCTION, REPURCHASE AND TRANSFER OF SHARES

Increase and Reduction of Shares

In light of the Company's operational and developmental needs, the Company may increase its registered capital in accordance with the laws and regulations and subject to a separate resolution of the Shareholders' Meeting, by any of the following methods:

i. issued shares to nonspecific investors with the approval of the relevant authorities;

ii. issuing shares to specific objects;

iii. allotment of bonus shares to existing shareholders;

iv. conversion of reserve into share capital;

v. other methods permitted by laws, administrative regulations and the securities regulatory authorities of the place where the Company's shares are listed.

Any increase in the registered capital of the Company shall be approved in accordance with the Articles of Association and the securities regulatory rules of the place where the Shares are listed, and shall be implemented in accordance with the procedures prescribed by the relevant laws and regulations.

The Company may reduce its registered capital. Any reduction of the registered capital of the Company shall be carried out in accordance with the procedures prescribed by the Company Law, the Listing Rules of the Stock Exchange of Hong Kong Limited, other relevant laws and regulations, the securities regulatory rules of the place where the Shares are listed and the Articles of Association.

Share Repurchase

The Company shall not repurchase its shares. Provided that, without violating applicable laws, regulations, the securities regulatory rules of the place where the Shares are listed and the Articles of Association, the following circumstances shall be exempted:

i. to reduce the registered capital of the Company;

ii. to merge with other companies that hold shares in the Company;

iii. to use the shares for employee shareholding schemes or as share incentives;

iv. to acquire the shares of shareholders (upon their request) who vote against any resolution adopted at any Shareholders' Meeting on the merger or division of the Company;

v. to use the shares to satisfy the conversion of those corporate bonds convertible into shares issued by the Company;

vi. to safeguard corporate value and shareholders' equity as the Company deems necessary;

vii. Any other circumstances as may be prescribed by applicable laws, regulations and the securities regulatory rules of the place where the Shares are listed.

The Company may repurchase its own shares through public centralized trading, or through other means recognized by the laws, administrative regulations, the securities regulatory authorities of the place and the stock exchange where the Company's shares are listed, and shall comply with the provisions under applicable laws and regulations, as well as securities regulatory rules of the place where the Company's shares are listed.

Where the purchases of the Company's shares under any of the circumstances specified in aforesaid items (iii), (v) and (vi), centralized trading shall be adopted publicly. Where the Company purchases its own shares under any of the circumstances specified in the aforesaid items (i) and (ii) shall require a resolution of the Shareholders' Meeting. Where the purchases of the Company's shares under any of the circumstances specified in aforesaid items (iii), (v) and (vi) shall, prevailing provided that they comply with the applicable securities regulatory rules of the place where the Company's shares are listed, require a resolution of a board of directors attended by two-thirds or more of the directors. Where the purchases of the Company's shares, it shall fulfill the obligation of information disclosure in accordance with the securities regulatory rules of the place where the company's shares are listed.

For A Shares, after the Company purchasing its own shares pursuant to the provisions above, such shares shall be canceled within 10 days from the date of purchase under the circumstance as described in item (i); such shares shall be either transferred or canceled within six months under the circumstances as described in items (ii) and (iv); the aggregate number of shares it holds shall not exceed 10% of the total shares in issue of the Company and such shares shall be transferred or canceled within three years under the circumstances as described in items (iii), (v) and (vi).

For H shares, if there are other provisions in laws, regulations, and the securities regulatory authorities of the place where the company's shares are listed concerning matters related to share repurchase, such provisions shall prevail.

Transfer of Shares

The shares of the Company shall be transferred in accordance with the law. Transfer of H Shares listed in Hong Kong shall be registered with the Hong Kong-based share registrar appointed by the Company. All transfers of H shares shall be made using written transfer documents in the general or common format or any other format acceptable to the board of directors (including the standard transfer format or transfer form prescribed by the Hong Kong Stock Exchange from time to time); The transfer document can only be signed by hand or stamped with a valid company seal (if the transferor or transferee is a company). If the transferor or transferee is a recognized clearing house (hereinafter referred to as a "**recognized clearing house**") or its agent as defined by relevant regulations or securities regulatory rules of the place where the Company's stock is listed in accordance with Hong Kong law from time to time, the transfer document may be signed by hand or machine printing. All transfer documents shall be kept at the Company's legal address or the address designated by the board of directors from time to time.

The Company does not accept its own shares as the subject matter of pledge.

A Shares already issued by the Company before the public offering of A Shares shall not be transferred within 1 year of the date on which the A Shares of the Company are listed on the stock exchange.

Directors and senior executives of the company shall declare to the company the shares they hold in the company and any changes thereto. During the term of office as determined when they assume their posts, the shares transferred each year shall not exceed 25% of the total shares of the same category they hold in the company. The shares they hold in the company shall not be transferred within 1 year from the date on which the company's shares are listed and traded on the stock exchange. The above-mentioned personnel shall not transfer the shares they hold in the company within six months after they leave office. If directors or senior executives leave office before the expiration of their term, they shall continue to comply with the share reduction ratio requirements stipulated in the Company Law and the securities regulatory rules of the place where the company's shares are listed and other relevant laws and regulations during the term of office as determined when they assumed their posts and within six months after the expiration of their term.

If the securities regulatory rules of the place where the company's shares are listed have additional provisions on the transfer restrictions of the company's shares, the relevant parties shall also comply with such provisions.

Where the Company's shareholders (exclude a recognized clearing house or its nominee(s) as defined under the relevant ordinances of Hong Kong as may be in force from time to time or the securities regulatory rules of the place where the Shares are listed.) who hold 5% or more of the Company's shares, directors or senior executives sell the Company's shares they hold within six months of the relevant purchase, or purchase any share or other equity securities they have sold within six months of the relevant sale, the proceeds generated therefrom shall be incorporated into the profits of the Company, and the Board of Directors of the Company shall recover the proceeds. However, the following circumstances shall be excluded where a securities company holds 5% or more of the shares of the Company due to its purchase of any remaining shares under best efforts underwriting and other circumstances as stipulated by the securities regulatory authorities of the place where the company's shares are listed.

Shares or other securities with the nature of equity held by directors, senior executives and natural person shareholders as mentioned in the preceding paragraph include shares or other securities with the nature of equity held by their spouses, parents or children, and held by them by using other people's accounts.

If the Board of Directors of the Company fails to comply with the aforesaid provision of this Article, the shareholders are entitled to request the Board of Directors to do so within 30 days. If the Board of Directors of the Company fails to comply within the aforesaid period, the shareholders are entitled to initiate litigation directly in the people's court in their own names for the interest of the Company. And if the Board of Directors fails to implement the aforesaid provisions of this Article, the responsible directors shall bear joint and several liability in accordance with law.

SHAREHOLDERS AND SHAREHOLDERS' MEETING

Shareholders

The Company shall establish a register of shareholders based on the certificates provided by the share registrar where the Company's shares are listed. The register of shareholders shall be sufficient evidence proving the shareholders' holding of the Company's shares. The original register of holders of H Shares listed in Hong Kong shall be maintained in Hong Kong and available for inspection by shareholders, whilst the Company may close the register of members in accordance with the provisions of applicable laws and regulations and the securities regulatory rules of the place where the Company's shares are listed. Shareholders shall enjoy rights and assume obligations according to the class of shares held by him/her. Shareholders who hold existing shares of the same class shall enjoy equal rights and assume equal obligations.

Any shareholder registered in the H-share register or any person requesting to have their name (or designation) registered in the H-share register may, in the event of the loss of their share certificate(s), apply to the Company for the replacement of new share certificate(s) in respect of such shares. If a holder of overseas-listed foreign shares loses their share certificate(s) and applies for replacement, the matter may be handled in accordance with the laws of the jurisdiction where the original copy of the overseas-listed foreign share register is maintained, the rules of the relevant securities exchange, or other applicable regulations.

Shareholders of the Company shall enjoy the following rights:

i. to receive dividends and other forms of distributions in proportion to their shareholdings;

ii. to legally require to convene, summon, preside over, participate in or authorize proxies of Shareholders to attend the Shareholders' Meeting and exercise corresponding voting rights;

iii. to supervise business operations of the company, and to present proposals or to raise inquiries;

iv. to transfer, grant or pledge shares in accordance with laws, administrative regulations, the securities regulatory rules of the place where the Company's shares are listed and the provisions of the articles of association;

v. to read and copy the Articles of Association, the register of Shareholders, Shareholders' Meeting minutes, resolutions of meetings of the Board of Directors and financial and accounting reports;

vi. in the event of the winding-up or liquidation of a company, to participate in the distribution of remaining property of a company in proportion to the number of shares held;

vii. to require the company to acquire the shares from Shareholders voting against any resolutions adopted at the Shareholders' Meeting concerning the merger and division of the Company;

viii. other rights conferred by laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Company's shares are listed and the articles of association.

When a shareholder requests to inspect or copy the Company's relevant materials mentioned above in the article, he or she shall present evidence to prove the class and amount of shareholdings in writing. The Company shall comply with the shareholder's request after verifying his/her identity.

A resolution of the Shareholders' Meeting or the Board of Directors may be declared void by the people's court upon application from shareholders if the content contravenes the laws or administrative regulations. If the convening procedure or voting method of a Shareholders' Meeting or the Board of Directors contravenes the laws, administrative regulations or the Articles of Association, or if the contents of the resolutions of such meetings contravene the Articles of Association, the shareholders can request the people's court to revoke the resolution within 60 days of the resolution. However, this shall not apply if the convening procedures or voting methods of the Shareholders' Meeting or board meeting involve only minor procedural defects and have no material impact on the resolution.

If there is a dispute among the board, shareholders, or other relevant parties regarding the validity of a Shareholders' Meeting resolution, the concerned parties shall promptly file a lawsuit with the People's Court. Before the People's Court issues a judgment or ruling to revoke the resolution, the relevant parties shall implement the resolution. The company, directors, and senior management shall diligently perform their duties to ensure the normal operation of the company.

If the People's Court issues a judgment or ruling on the matter, the company shall comply with the disclosure obligations in accordance with laws, administrative regulations, and the securities regulatory rules of the jurisdiction where its shares are listed, fully explain the impact, and actively cooperate with the execution after the judgment or ruling takes effect. If correction of prior matters is involved, the company shall promptly address them and fulfill the corresponding disclosure obligations.

In any of the following circumstances, the resolution of the Shareholders' Meeting or the Board of Directors of the company shall be invalid:

i. Failure to convene a Shareholder's Meeting or Board of Directors' Meeting to make a resolution;

ii. The Shareholders' Meeting and the Board of Directors' Meeting did not vote on the resolution matters;

iii. The number of attendees or the number of voting rights held at the meeting does not reach the number or number of voting rights stipulated in the Company Law or the Articles of Association;

iv. The number of people or the number of voting rights held who agree to the resolution does not reach the number or number of voting rights stipulated in the Company Law or the Articles of Association.

The shareholders of the Company shall assume the following obligations:

i. to comply with laws, administrative regulations and the Articles of Association;

ii. to pay the share subscription price based on the shares subscribed for by them and the method of acquiring such shares;

iii. not to return shares unless prescribed otherwise in laws and regulations;

iv. not to abuse shareholders' rights to infringe upon the interests of the Company or other shareholders; not to abuse the Company's status as an independent legal entity or the limited liability of shareholders to harm the interests of the Company's creditors; Any shareholder who abuses shareholders' rights and causes the Company or other shareholders to suffer a loss shall be liable for making compensation in accordance with laws; any shareholder who abuses the status of the Company as an independent legal entity or the limited liability of shareholders to evade debts and causes severe harm to the interests of the Company's creditors shall assume joint and several liability for the Company's debts.

v. other obligations imposed by laws, administrative regulations, the securities regulatory rules of the jurisdiction where the company's shares are listed and the Articles of Association.

Controlling Shareholder and De facto Controller

The controlling shareholder and de facto controller of the Company shall exercise their rights and perform their obligations in accordance with laws, administrative regulations, and the securities regulatory rules of the jurisdiction where the Company's shares are listed, and shall safeguard the Company's interests.

The controlling shareholder and de facto controller of the Company shall comply with the following provisions:

i. Exercise shareholder rights in accordance with the law, and shall not abuse controlling rights or use connected relationships to harm the legitimate rights and interests of the Company or other shareholders;

ii. Strictly fulfill all public statements and commitments made, and shall not arbitrarily modify or waive them;

iii. Strictly perform information disclosure obligations in accordance with relevant regulations, actively cooperate with the Company in information disclosure work, and promptly inform the Company of any major events that have occurred or are planned to occur;

iv. Shall not occupy Company's funds in any form;

v. Shall not compel, direct, or require the Company and its personnel to provide illegal or non-compliant guarantees;

vi. Shall not use the Company's undisclosed material information for personal gain, disclose any undisclosed material information related to the Company in any form, or engage in illegal or non-compliant activities such as insider trading, short-swing trading, or market manipulation;

vii. Shall not harm the legitimate rights and interests of the Company and other shareholders through non-arm's length connected transactions, profit distribution, asset restructuring, external investments, or any other means;

viii. Ensure the Company's asset integrity, personnel independence, financial independence, organizational independence, and business independence, and shall not affect the Company's independence in any way;

ix. Other provisions stipulated by laws, administrative regulations, the securities regulatory rules of the jurisdiction where the Company's shares are listed, and the Articles of Association.

If the Company's controlling shareholder or de facto controller does not serve as a director but de facto manages the Company's affairs, the provisions of the Articles of Association regarding directors' fiduciary duties and duty of diligence shall apply.

If the Company's controlling shareholder or de facto controller instructs a director or senior management personnel to engage in conduct that harms the interests of the Company or its shareholders, such controlling shareholder or de facto controller shall bear joint and several liability with such director or senior management personnel.

General Requirements of Shareholders' Meeting

The Shareholders' Meeting is composed of all shareholders. The Shareholders' Meeting is the body of power of the Company which exercises the following functions and powers according to law:

i. to elect and replace the directors who are not employee representatives and to decide on the matters relating to the remuneration of directors;

ii. to consider and approve the reports of the Board of Directors;

iii. to consider and approve the Company's profit distribution plan and plan for recovery of losses;

iv. to resolve on the increase or reduction of the Company's registered capital;

v. to adopt resolutions on the issue of securities or corporate bonds by the Company;

vi. to resolve on the merger, division, dissolution, liquidation or changing the form of the Company;

vii. to amend the Articles of Association;

viii. to adopt resolutions on the engagement, dismissal or nonreappointment of the accounting firm engaged to audit the Company's affairs, and on the determination of its remuneration;

ix. to consider and approve the guarantees specified in Article 47 of the Articles of Association;

x. to consider and approve the transaction matters specified in Article 48 of the Articles of Association;

xi. to consider and approve changes in the use of proceeds;

xii. to consider the equity incentive plans and employee shareholding schemes;

xiii. to consider all transactions where the Company's percentage ratios calculated in accordance with 14.07 of the Hong Kong Stock Exchange Listing Rules relating to percentage ratios are not less than 25% (including one-off transactions and a series of transactions which require combined percentage ratio calculation) and related transactions where the percentage ratios are not less than 5% (including one-off transactions and a series of transactions which require combined percentage ratio calculation);

xiv. to consider and decide on matters relating to the acquisition of the Company's shares that are required to be considered by the shareholders' meeting pursuant to applicable laws and regulations, the listing rules of the place where the Shares are listed and the Articles of Association;

xv. to consider other matters on which decisions shall be made by the Shareholders' Meeting as required by laws, administrative regulations, departmental rules, and the securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

The following external guaranteed transactions of the Company shall be submitted to the Shareholders' Meeting for approval after being reviewed and passed by the Board of Directors:

i. Any single guarantee exceeding 10% of the Company's most recently audited net assets;

ii. Any guarantee provided after the aggregate amount of guarantees by the Company and its controlling subsidiaries exceeds 50% of the Company's most recently audited net assets;

iii. Any guarantee provided after the Company's total external guarantees exceed 30% of its most recently audited total assets;

iv. Guarantees provided to entities with a debt-to-asset ratio exceeding 70%;

v. Guarantees where the aggregate amount provided by the Company to others within one year exceeds 30% of the Company's most recently audited total assets;

vi. Guarantees provided to shareholders, de facto controllers, or their connected persons;

vii. Other guarantee circumstances stipulated by the securities regulatory rules of the jurisdiction where the Company's shares are listed or the Articles of Association.

Other external guarantee matters that do not meet the foregoing thresholds shall be subject to the approval of the board of directors.

Where any transaction of the Company reaches any of the following thresholds, the Company shall not only disclose such transaction promptly but also submit it to the Shareholders' Meeting for approval:

i. The total assets involved in the transaction account for more than 50% of the Company's most recently audited total assets. If both book value and appraised value exist for the assets involved, the higher value shall be used for calculation;

ii. The net assets involved in the subject matter of the transaction (e.g., equity) account for more than 50% of the Company's most recently audited net assets, with an absolute amount exceeding RMB50 million. If both book value and appraised value exist for the net assets involved, the higher value shall prevail;

iii. The revenue related to the subject matter of the transaction (e.g., equity) in the most recent fiscal year accounts for more than 50% of the Company's audited revenue in the most recent fiscal year, with an absolute amount exceeding RMB50 million;

iv. The net profit related to the subject matter of the transaction (e.g., equity) in the most recent fiscal year accounts for more than 50% of the Company's audited net profit in the most recent fiscal year, with an absolute amount exceeding RMB5 million;

v. The transaction amount (including assumed liabilities and expenses) accounts for more than 50% of the Company's most recently audited net assets, with an absolute amount exceeding RMB50 million;

vi. The profit generated from the transaction accounts for more than 50% of the Company's audited net profit in the most recent fiscal year, with an absolute amount exceeding RMB5 million.

For any negative values involved in the calculation of the above criteria, their absolute values shall be taken.

The term transactions in this Article includes the following types of activities occurring outside the Company's ordinary course of business: asset purchases; asset sales; external investments (including entrusted wealth management, investments in subsidiaries, etc.); provision of financial assistance (including entrusted loans, etc.); provision of guarantees (including guarantees for controlled subsidiaries, etc.); asset leasing in or out; entrusted or accepting management of assets and business; donation or acceptance of donated assets; debt or liability restructuring; transfer or acceptance of R&D projects; licensing agreements; waiver of rights (including preemptive rights, priority subscription rights, etc.); and other transactions recognized by the Shenzhen Stock Exchange.

When the shareholders' meeting considers a proposal on providing a guarantee for a shareholder, the actual controller and their connected parties, such shareholder or the shareholders controlled by such actual controller shall not vote on such proposal. Such resolution shall be adopted by a majority of the voting rights held by the other shareholders present at the shareholders' meeting.

The Shareholders' Meeting are classified into annual Shareholders' Meeting and interim Shareholders' Meeting. The annual Shareholders' Meeting shall be convened once a year and be held within 6 months of the end of the previous accounting year.

In any of the following circumstances, the Company shall convene an interim Shareholders' Meeting within 2 months from the date upon which the circumstance occurs:

i. when the number of directors falls short of the number specified in the Company Law or is less than two-thirds of the number specified in the Articles of Association;

ii. when the unrecovered losses of the Company amount to one-third of the total paid-up share capital;

iii. when shareholders individually or collectively holding more than 10% of the Company's shares request;

iv. when the Board of Directors deems necessary;

v. when proposed by the Audit Committee;

vi. other circumstances stipulated by laws, administrative regulations, departmental rules, securities regulatory rules of the place where the Company's shares are listed or the Articles of Association.

Convening of Shareholders' Meeting

The Board of Directors shall convene the Shareholders' Meeting within the prescribed time limit. Independent directors may propose the convocation of an extraordinary Shareholders' Meeting upon approval by a majority of all independent directors. Where independent directors propose to convene an extraordinary Shareholders' Meeting, the Board of Directors shall, within 10 days of receiving such proposal, provide a written response indicating whether it agrees or disagrees with the proposal, in accordance with the laws, administrative regulations, securities regulatory rules of the jurisdiction where the Company's shares are listed, and the Articles of Association. If the Board agrees to convene the extraordinary Shareholders' Meeting, it shall issue a notice of the meeting within 5 days after the relevant board resolution is passed. If the Board disagrees, it shall state the reasons and make a public announcement.

The Audit Committee shall have the authority to propose the convening of an extraordinary Shareholders' Meeting to the Board of Directors, and such proposal shall be submitted in writing. The Board of Directors shall, in accordance with laws, administrative regulations, the securities regulatory rules of the jurisdiction where the Company's shares are listed, and the Articles of Association, provide a written response within 10 days of receiving the proposal, indicating whether it agrees or disagrees with convening the extraordinary Shareholders' Meeting. If the Board of Directors agrees to convene the extraordinary Shareholders' Meeting, it shall issue the meeting notice within 5 days after the relevant board resolution is adopted. Any modifications to the original proposal in the notice shall require the consent of the Audit Committee. If the Board of Directors disagrees with convening the extraordinary Shareholders' Meeting, or fails to provide a response within 10 days of receiving the proposal, it shall be deemed that the Board of Directors is unable or unwilling to perform its duty to convene the Shareholders' Meeting. In such case, the Audit Committee may convene and preside over the meeting on its own authority.

Shareholders individually or jointly holding 10% or more of the Company's shares shall have the right to request the Board of Directors to convene an extraordinary Shareholders' Meeting, and such request shall be submitted in writing. The Board of Directors shall, in accordance with laws, administrative regulations, the securities regulatory rules of the jurisdiction where the Company's shares are listed, and the Articles of Association, provide a written response within 10 days of receiving the request, indicating whether it agrees or disagrees with convening the extraordinary Shareholders' Meeting. If the Board of Directors agrees to convene the extraordinary Shareholders' Meeting, it shall issue the meeting notice within 5 days after the relevant board resolution is adopted. Any modifications to the original request in the notice shall require the consent of the relevant shareholders. If the Board of Directors disagrees with convening the extraordinary Shareholders' Meeting, or fails to provide a response within 10 days of receiving the request, the shareholders individually or jointly holding 10% or more of the Company's shares shall have the right to propose the convening of an extraordinary Shareholders' Meeting to the Audit Committee, and such request shall be submitted in writing. The Audit Committee shall, in accordance with applicable laws and regulations, the securities regulatory rules of the place where the Shares are listed and these Articles of Association, give a written response as to whether to convene an extraordinary general meeting within 10 days from the date of receipt of the request. If the Audit Committee agrees to convene an extraordinary general meeting, it shall give notice of the general meeting within 5 days from the date of receipt of the request. Any amendment to the original request contained in the notice shall be subject to the consent of the relevant shareholders. If the Audit Committee does not agree to convene an extraordinary general meeting, or fails to give a response within 10 days from the date of receipt of the request, the Audit Committee shall be deemed not to convene and preside over the general meeting. Shareholders who individually or jointly hold 10% or more of the Shares for 90 consecutive days or more may convene and preside over the general meeting themselves.

Where the Audit Committee or shareholders decide to convene a Shareholders' Meeting on their own authority, they shall provide written notice to the Board of Directors and complete all required reporting (filing) or disclosure procedures in accordance with the securities regulatory rules of the jurisdiction where the Company's shares are listed and the requirements of the stock exchange. The Audit Committee or convening shareholders shall submit relevant supporting documents to the stock exchange when issuing the Shareholders' Meeting notice and announcing the meeting resolutions, as required by the securities regulatory rules of the jurisdiction where the Company's shares are listed and the stock exchange's regulations. Prior to the announcement of the Shareholders' Meeting resolutions, the shareholding percentage of the convening shareholders shall not fall below 10% of the Company's total share capital. The convening shareholders shall undertake not to reduce their shareholdings in the Company from the date of proposing the Shareholders' Meeting to the date of the meeting, and shall disclose such undertaking no later than when issuing the Shareholders' Meeting notice.

The Board of Directors and the secretary to the Board of Directors should cooperate with the Audit Committee or shareholders to convene Shareholders' Meeting on their own. The Board of Directors shall provide the register of shareholders on the record date of equity interests.

Proposals and Notices of Shareholders' Meeting

The contents of a proposal of the Shareholders' Meeting shall be within the scope of the duties and powers of the Shareholders' Meeting, have definite themes and specific matters for resolutions, as well as be in compliance with laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed, and the relevant requirements set forth in the Articles of Association.

For Shareholders' Meeting convened by the Company, the Board of Directors, the Audit Committee, and shareholders individually or jointly holding 1% or more of the Company's shares shall have the right to submit proposals to the Company. Subject to the provisions of the Listing Rules of the Stock Exchange of Hong Kong Limited, shareholders holding individually or jointly 1% or more of the shares of the Company may propose an extraordinary proposal and submit the same in writing to the convener 10 days prior to the holding of the shareholders' meeting. An extraordinary proposal shall contain a clear agenda and specific resolution matters. The convener shall issue a supplementary notice of the shareholders' meeting within two days upon receipt of the proposal, announce the content of the extraordinary proposal and submit the extraordinary proposal to the shareholders' meeting for consideration, provided that the extraordinary proposal does not violate the provisions of laws, administrative regulations, the Listing Rules of the Stock Exchange of Hong Kong Limited, other securities regulatory rules of the place where the Shares are listed or the Articles of Association, or fall outside the scope of the powers and functions of the shareholders' meeting. If the shareholders' meeting is required to be adjourned pursuant to the securities regulatory rules of the place where the Shares are listed due to the issuance of a supplementary notice of the shareholders' meeting, the holding of the shareholders' meeting shall be adjourned in accordance with the provisions of the securities regulatory rules of the place where the Shares are listed. Save for the circumstances specified in the preceding paragraph or to the extent required to comply with the Listing Rules of the Stock Exchange of Hong Kong Limited, after issuing the announcement of the notice of the shareholders' meeting, the convener shall not amend the proposals already set out in the notice of the shareholders' meeting or add new proposals. The shareholders' meeting shall not vote on or adopt resolutions in respect of any proposal not set out in the notice of the shareholders' meeting or not in compliance with the provisions of the Articles of Association. If the shareholders' meeting is required to be adjourned pursuant to the securities regulatory rules of the place where the Shares are listed due to the issuance of a supplementary notice of the shareholders' meeting, the holding of the shareholders' meeting shall be adjourned in accordance with the provisions of the securities regulatory rules of the place where the Shares are listed.

The convener shall notify all shareholders of an annual Shareholders' Meeting by way of announcement at least 21 days prior to the meeting date, and of an extraordinary Shareholders' Meeting by way of announcement at least 15 days prior to the meeting date. The calculation of the aforementioned notice periods shall exclude the meeting date itself.

Notice of a shareholders' meeting shall be given in writing and shall include the following:

i. The convener of the meeting;

ii. The time, venue, format and duration of the meeting;

iii. Matters and proposals to be considered at the meeting;

iv. A prominent statement indicating that all shareholders are entitled to attend the meeting and may appoint a proxy in writing to attend and vote on their behalf, and that such proxy need not be a shareholder of the Company;

v. The record date for determining shareholders entitled to attend the meeting;

vi. The name and telephone number of the standing contact person for the meeting;

vii. The voting time and procedures for online or other voting methods;

viii. specify the time and place for the delivery of the proxy form for voting at the meeting;

ix. such other information as required to be included under applicable laws, administrative regulations, the securities regulatory rules of the place where the Shares are listed and the Articles of Association.

The notice and the supplementary notice, if any, of the Shareholders' Meeting shall fully and completely disclose the contents of all proposals.

Holding of Shareholders' Meeting

In accordance with the securities regulatory rules of the jurisdiction where the Company's shares are listed, all shareholders or their proxies who are duly registered on the record date shall have the right to attend the Shareholders' Meeting and, subject to applicable laws, regulations and the Articles of Association, to speak and exercise voting rights at the meeting (unless any shareholder is required under the securities regulatory rules of the listing jurisdiction to abstain from voting on specific matters). Shareholders may attend the Shareholders' Meeting in person or appoint a proxy to attend and vote on their behalf. The proxy need not be a shareholder of the Company. Who is required to abstain from voting on particular matters pursuant to the Listing Rules of the Stock Exchange of Hong Kong Limited. The proxy of such shareholder may, in accordance with the instructions of such shareholder, exercise the following rights: i. the right to speak at the shareholders' meeting on behalf of such shareholder; ii. the right to demand a vote by poll, either individually or jointly with other shareholders; iii. subject to the provisions of relevant laws, administrative regulations, the securities regulatory rules of the place where the Shares are listed and other securities laws and regulations (if any), the right to exercise voting rights by a show of hands or by poll.

An individual shareholder who attends the meeting in person shall produce his/her own identification card or other valid documents or proof evidencing his/her identity and stock account cards. If a shareholder appoints a proxy to attend the meeting on his/her behalf, such proxy shall produce his/her own valid proof of identity and the power of attorney from the shareholder. Where the shareholder is a recognized clearing house or its nominee, it may authorize its corporate representative or one or more persons it deems appropriate to act as proxy at any meeting.

A legal person (or other organizations) shareholder shall attend the meeting by its legal representative or proxy appointed by the legal representative. Where the legal representative attends the meeting, he/she shall produce his/her own identification card and valid certificates evidencing his/her capacity as the legal representative. Where a proxy is appointed to attend the meeting, he/she shall produce his/her own identification card and the written power of attorney issued by the legal representative of the legal person (or other organizations) shareholder according to law (except for recognized clearing houses and their proxies). The appointment of such representative shall be deemed as personal attendance.

A power of attorney for appointing a proxy to attend a Shareholders' Meeting shall specify the following contents:

i. The name of the entrusting party and the class and quantity of the Company's shares held;

ii. The name of the proxy;

iii. Specific voting instructions from the shareholder, including directions to vote "For," "Against," or "Abstain" on each proposed resolution listed in the meeting agenda;

iv. The issuance date and validity period of the power of attorney;

v. The signature (or seal) of the entrusting party. If the entrusting party is an institutional shareholder (legal person or other organization), the power of attorney shall bear the official seal of the institution or be signed by a duly authorized representative.

The power of attorney shall indicate whether the proxy can vote as he/she thinks fit or not if the shareholder does not make specific instructions.

Where a shareholder authorizes another person to sign the proxy voting authorization on their behalf, the authorization document or other power of attorney for such signing shall be notarized. Both the notarized authorization document and the voting proxy form shall be deposited at the Company's registered office or such other place as specified in the notice convening the meeting. For corporate shareholders, attendance at the Company's Shareholders' Meeting shall be by the legal representative or a person authorized by resolution of the board of directors or other governing body.

The voting proxy form shall be deposited at the Company's registered office or such other place as specified in the notice convening the meeting no later than twenty-four hours prior to the commencement of the relevant meeting for which the proxy is given or twenty-four hours before the designated voting time, whichever is applicable. Where the voting proxy form is signed by a person authorized by the shareholder, the authorization document or other power of attorney for such signing shall be notarized, and such notarized authorization document shall be deposited together with the voting proxy form at the Company's registered office or such other place as specified in the notice convening the meeting.

Where the shareholder is a recognized clearing house (or its nominee), it may authorize one or more persons it deems appropriate to act as its representative at any Shareholders' Meeting or creditors' meeting. If more than one person is authorized, the authorization document shall specify the number and class of shares to which each authorized person's authorization relates, and the authorization document shall be signed by an authorized signatory of the recognized clearing house. Any person so authorized may exercise the rights of the recognized clearing house (or its nominee) (without the need to produce evidence of shareholding, notarized authorization and/or further evidence of due authorization) and shall enjoy the same statutory rights as other shareholders, including the right to speak and vote, as if such person were an individual shareholder of the Company.

Where the Shareholders' Meeting requires the attendance of directors or senior management personnel, such directors and senior management personnel shall attend and respond to shareholders' inquiries. Subject to compliance with the securities regulatory rules of the jurisdiction where the Company's shares are listed, such persons may attend or participate in the meeting through internet, video conferencing, telephone connections or other methods of equivalent effect.

The Shareholders' Meeting shall be presided over by the Chairman of the Board. If the Chairman is unable or fails to perform such duty, a Director nominated by a majority of the Directors shall preside. A Shareholders' Meeting convened by the Audit Committee shall be presided over by the convener of the Audit Committee. If the convener is unable or fails to perform such duty, a member of the Audit Committee nominated by a majority of its members shall preside. A Shareholders' Meeting convened by shareholders shall be presided over by the convener or a representative nominated by the convener. If the presiding person violates the rules of procedure during a Shareholders' Meeting to the extent that the meeting cannot continue, the Shareholders' Meeting may, with the approval of shareholders holding a majority of the voting rights present at the meeting, elect another person to preside and continue the meeting.

Voting at Shareholders' Meeting

The resolutions of the Shareholders' Meeting shall be divided into ordinary resolutions and special resolutions. An ordinary resolution of the Shareholders' Meeting shall be adopted by more than half of the votes held by the shareholders (including proxies of shareholders) attending the Shareholders' Meeting. A special resolution of the Shareholders' Meeting shall be adopted by two-thirds or more of the votes held by the shareholders (including proxies of shareholders) attending the Shareholders' Meeting.

The following matters shall be approved by the Shareholders' Meeting through ordinary resolutions:

i. work report of the Board of Directors;

ii. the profit distribution plans and loss recovery plans drafted by the Board of Directors;

iii. appointment or dismissal of the members of the Board of Directors and their payment and payment methods;

iv. other matters other than those approved by special resolution stipulated in the laws, administrative regulations, securities regulatory rules of the place where the Company's shares are listed and the Articles of Association.

The following matters shall be approved by special resolution at the Shareholders' Meeting:

i. the increase or reduction of the registered capital of the Company;

ii. division, spin-off, merger, dissolution and liquidation (including voluntary winding-up) of the Company;

iii. amendments to the Articles of Association;

iv. purchase or sale of material assets, or provision of guarantees to others, by the Company within one year exceeding 30% of the Company's most recently audited total assets;

v. share incentive plans;

vi. other matters required by laws, administrative regulations, the securities regulatory rules of the jurisdiction where the Company's shares are listed, or the Articles of Association to be passed by special resolution, as well as matters which the Shareholders' Meeting determines by ordinary resolution would have material impact on the Company and therefore require special resolution approval.

Where the Company's shares are divided into different classes at any time, any proposed variation or abrogation of the rights attached to any class of shares shall be subject to approval by special resolution of the affected class shareholders at a separately convened class meeting.

Shareholders (including proxies) may exercise their voting rights by the number of shares held by them which carry the right to vote. Each share shall have one vote. When voting, shareholders (including shareholder proxies) holding two or more votes are not required to cast all their votes uniformly as "for," "against," or "abstain."

When material issues affecting the interests of minority shareholders are considered at a Shareholders' Meeting, the votes of minority shareholders shall be counted separately. The separate votes counting results shall be disclosed publicly in a timely manner.

The shares of the Company which are held by the Company do not carry any voting rights, and shall not be counted in the total number of voting shares represented by shareholders attending a Shareholders' Meeting.

If a shareholder purchases shares with voting rights of the Company in violation of paragraph 1 and paragraph 2 of Article 63 of the Securities Law, such shares in excess of the prescribed proportion shall not be allowed to exercise voting rights for a period of thirty-six months after the purchase and shall not be counted in the total number of shares with voting rights present at the Shareholders' Meeting.

According to applicable laws and regulations and the Listing Rules, if any shareholder is required to abstain from voting on certain resolution or is restricted to voting only for or against certain resolution, any votes cast by the shareholder or proxy in violation of the relevant requirements or restrictions shall not be counted in the total number of shares with voting rights.

The Board of Directors, independent directors, shareholders of the Company holding 1% or more of the voting shares of the Company or investor protection institutions established pursuant to laws, administrative regulations or the rules of the securities regulatory authorities of the place where the Company's shares are listed, may publicly solicit voting rights from shareholders. When soliciting voting rights from shareholders, the specific voting intention and other information shall be fully disclosed to the solicitation targets. The solicitation of voting rights from shareholders with the provision of direct or indirect compensation shall be prohibited. The Company may not impose any minimum shareholding requirement for the solicitation of voting rights, except for statutory conditions.

When relevant related transaction is considered at a Shareholders' Meeting, the related shareholders shall not vote, and the voting shares held by them shall not be counted in the total number of shares with valid voting rights; the announcement of the resolutions of the Shareholders' Meeting shall fully disclose the voting of non-related shareholders.

DIRECTORS AND BOARD OF DIRECTORS

Directors

Directors include executive directors, non-executive directors, and independent directors. A non-executive director refers to a director who does not hold any management position in the company, while an independent director refers to a person who meets the requirements set forth in Section 3 of Chapter V of the Articles of Association (consistent with the meaning of "independent non-executive director" under the Hong Kong Stock Exchange Listing Rules). Company directors must be natural persons and shall meet the qualifications required by laws, administrative regulations, departmental rules, and the securities regulatory rules of the jurisdiction where the company's shares are listed.

A person shall not serve as a director of the company under any of the following circumstances:

i. Being legally incapacitated or having limited capacity for civil conduct;

ii. Having been sentenced to criminal penalties for corruption, bribery, embezzlement, misappropriation of property, or disrupting the socialist market economic order, or having been deprived of political rights due to a criminal offense, where less than five years have passed since the completion of the sentence (or, in the case of a suspended sentence, less than two years have passed since the probation period ended);

iii. Having served as a director, factory head, or manager of a company or enterprise that underwent bankruptcy liquidation, where such person bears personal responsibility for the bankruptcy, and less than three years have passed since the completion of the bankruptcy liquidation;

iv. Having served as the legal representative of a company or enterprise that had its business license revoked or was ordered to close due to legal violations, where such person bears personal responsibility, and less than three years have passed since the revocation or closure;

v. Being listed as a discredited person subject to enforcement by a court due to failure to repay significant personal debts when due;

vi. Being subject to a securities market entry ban imposed by the China Securities Regulatory Commission or other regulatory authorities, where the ban has not yet expired;

vii. Being publicly deemed unfit by a stock exchange to serve as a director or senior executive of a listed company, where the restriction has not yet expired;

viii. Other circumstances under laws, administrative regulations, departmental rules, or securities regulatory rules of the jurisdiction where the Company's shares are listed that disqualify a person from serving as a director.

Any election, appointment, or hiring of a director in violation of this Article shall be void. If a director falls under any of the above circumstances during their tenure, the company shall remove them from office and terminate their duties.

Directors (referring to non-employee directors) shall be elected or replaced by the Shareholders' Meeting and may be removed from office by the Shareholders' Meeting before their term expires. The board of directors shall include one employee representative director, who shall be directly elected by the company's employees through an employee representative assembly, general employee meeting, or other democratic means, and shall not require approval by the Shareholders' Meeting. The term of office for directors is three years, and directors may be re-elected upon expiration of their term in accordance with the securities regulatory rules of the place where the Shares are listed.

The term of office for directors shall be calculated from the date of their assumption of office until the end of the current board's term. If a director's term expires but no successor is elected in a timely manner, the incumbent director shall continue to perform their duties in accordance with laws, administrative regulations, departmental rules, and the Articles of Association until the newly elected director assumes office.

A director may concurrently serve as a senior executive, provided that the number of directors holding concurrent senior management positions shall not exceed half of the total number of directors on the board.

Subject to compliance with applicable laws, regulations, and securities regulatory rules in the jurisdiction where the company's shares are listed, shareholders shall have the right to remove any director (including a managing director or other executive director) before the expiration of their term by passing an ordinary resolution at a Shareholders' Meeting; provided, however, that such removal shall not affect the director's right to claim damages under any contract.

A director appointed by the board to fill a casual vacancy or as an additional board member shall hold office from the date of appointment until the next annual meeting of shareholders, at which time they shall be eligible for re-election.

A director may resign before the expiration of their term by submitting a written resignation notice to the company. The resignation shall take effect on the date the company receives the notice, and the company shall disclose the relevant details within two trading days or within the period required by the securities regulatory rules of the jurisdiction where the company's shares are listed.

If the resignation of a director results in the number of members of the Board of Directors falling below the statutory minimum number, or the resignation of an independent non-executive director results in the number of independent non-executive Directors being less than one-third of the Board members, or there is no independent non-executive Director with appropriate professional qualifications or appropriate accounting or related financial management expertise, or there is no independent non-executive Director who is ordinarily resident in Hong Kong, the resigning director shall continue to perform his or her duties as a director in accordance with the provisions of applicable laws, administrative regulations, departmental rules, the securities regulatory rules of the place where the Shares are listed and the Articles of Association until a new director is appointed to fill the vacancy.

Board of Directors

The Company shall establish a Board of Directors, which shall be accountable to the Shareholders' Meeting. The Board shall consist of no fewer than seven (7) Directors, including: No fewer than three (3) Executive Directors (including the Employee Representative Director); No fewer than one (1) Non-Executive Director; No fewer than three (3) Independent Directors, who shall constitute at least one-third of the total Board membership. The Board shall have one (1) Chairman.

The Board of Directors shall exercise the following authorities and responsibilities:

i. Convening Shareholders' Meeting and reporting work to Shareholders' Meeting;

ii. Implementing resolutions adopted by Shareholders' Meeting;

iii. Determining the company's business plans and investment schemes;

iv. Formulating the company's profit distribution plans and loss recovery plans;

v. Developing plans for increasing or reducing registered capital, issuing bonds or other securities, and listing arrangements;

vi. subject to compliance with the securities regulatory rules of the place where the Shares are listed, formulate proposals for material acquisition, acquisition of the Company's own shares, or merger, division, dissolution and change of the form of the Company;

vii. Determining the establishment of the company's internal management structure;

viii. Appointing or dismissing the company's general manager, board secretary and other senior management personnel, determining their compensation and incentive/disciplinary matters; and appointing or dismissing deputy general managers, financial officers and other senior executives based on the general manager's nomination, while determining their compensation and incentive/disciplinary matters;

ix. Establishing the company's fundamental management systems;

x. Subject to compliance with the securities regulatory rules of the place where the Shares are listed and within the scope of authorization granted by the shareholders' meeting, decide on matters including the Company's external investments, acquisition and disposal of assets, asset mortgages, external guarantees, entrusted financial management, connected transactions, external donations and other matters;

xi. Formulating amendments to the Articles of Association;

xii. Managing the company's information disclosure matters;

xiii. Proposing to Shareholders' Meeting the appointment or replacement of auditing accounting firms;

xiv. Reviewing work reports from the general manager and supervising the general manager's performance;

xv. Other authorities granted by laws, administrative regulations, departmental rules, securities regulations of the company's listing jurisdiction, or the Articles of Association.

The Board of Directors shall determine the scope of authorities in respect of external investments, acquisition and sale of assets, asset mortgage, external guarantees, entrusted financial management, related transactions, and external donations, and establish strict review and decision-making procedures; major investment projects should be reviewed by relevant experts and professionals, and subject to shareholders' approval at the Shareholders' Meeting.

A meeting of the Board of Directors shall be held in the presence of more than half of the directors. Resolutions of the Board of Directors must be passed by more than half of all directors. Voting on Board of Directors resolutions shall be made on a one-person-one-vote basis.

Where a director has an affiliated relationship with any enterprise or individual involved in matters subject to a board resolution, such director shall promptly submit a written explanation to the board of directors. The affiliated director shall neither vote on such matter nor exercise voting rights as proxy for other directors. Such board meeting shall be valid only if attended by a majority of non-affiliated directors, and the relevant resolution shall require approval by a majority of non-affiliated directors. If fewer than three non-affiliated directors are present at the meeting, the matter shall be submitted to the Shareholders' Meeting for deliberation. Where laws and regulations or securities regulatory rules in the company's listing jurisdiction impose stricter requirements regarding directors' participation and voting, such provisions shall prevail.

Independent Directors

Independent directors shall diligently perform their duties in accordance with laws, administrative regulations, securities regulatory authority, the securities regulatory rules of the stock exchange where the company is listed, and the provisions of the Articles of Association. They shall play a role in decision-making, oversight, checks and balances, and professional consultation within the Board of Directors, safeguarding the overall interests of the company and protecting the legitimate rights and interests of minority shareholders.

The number of independent directors shall not be fewer than three and shall constitute no less than one-third of the total number of directors. Among them, at least one independent director must possess appropriate professional qualifications as required by the securities regulatory rules of the stock exchange where the company is listed or have expertise in accounting or related financial management. One independent director shall ordinarily reside in Hong Kong. All independent directors must meet the independence requirements stipulated by the securities regulatory rules of the stock exchange where the company is listed.

Independent directors must maintain independence. The following individuals shall not serve as independent directors:

i. Persons working for the company or its subsidiaries, as well as their spouses, parents, children, or close social relations;

ii. Natural person shareholders who directly or indirectly hold more than 1% of the company's issued shares or are among the top ten shareholders, as well as their spouses, parents, or children;

iii. Persons working for shareholders who directly or indirectly hold more than 5% of the company's issued shares or for the company's top five shareholders, as well as their spouses, parents, or children;

iv. Persons working for subsidiaries of the company's controlling shareholder or actual controller, as well as their spouses, parents, or children;

v. Persons who have significant business dealings with the company, its controlling shareholder, actual controller, or their respective subsidiaries, or who work for entities (or their controlling shareholders or actual controllers) that have significant business dealings with the company;

vi. Persons who provide financial, legal, consulting, sponsorship, or other services to the company, its controlling shareholder, actual controller, or their respective subsidiaries, including but not limited to all members of the project team, reviewers at all levels, signatories, partners, directors, senior management, and key personnel of the intermediary institutions providing such services;

vii. Persons who, within the past 12 months, fell under any of the circumstances listed in items (1) to (6) above;

viii. Persons who meet any of the conditions set out in Rules 3.13(1) to (8) of the Hong Kong Stock Exchange Listing Rules;

ix. Other persons deemed non-independent under laws, administrative regulations, the securities regulatory rules of the stock exchange where the company is listed, or the Articles of Association.

For the purposes of items (iv) to (vi) above, subsidiaries of the company's controlling shareholder or de facto controller shall not include enterprises controlled by the same state-owned assets regulatory authority as the company, provided that such enterprises are not deemed related parties under relevant regulations.

Independent directors shall conduct an annual self-assessment of their independence and submit the results to the Board of Directors. The Board shall annually evaluate the independence of incumbent independent directors, issue a specific opinion, and disclose it together with the annual report.

An individual serving as an independent director of the Company shall satisfy the following requirements:

i. Possess the qualifications for serving as a company director in accordance with laws, administrative regulations, securities regulatory authority, securities regulatory rules of the Company's listing jurisdiction, and other relevant provisions;

ii. Meet the independence requirements stipulated in the Articles of Association;

iii. Have fundamental knowledge of listed company operations and be familiar with relevant laws, regulations and rules;

iv. Possess no less than five years of professional experience in law, accounting, economics or other fields necessary for performing independent director duties;

v. Maintain good personal integrity without any record of serious dishonesty or other misconduct;

vi. Satisfy other conditions stipulated by laws, administrative regulations, securities regulatory rules of the Company's listing jurisdiction and the Articles of Association.

The Company shall establish a special meeting mechanism composed exclusively of independent directors. For matters requiring board review such as connected transactions, prior approval shall be obtained from the special meeting of independent directors. The Company shall convene special meetings of independent directors periodically or as needed. Matters specified in Items (i) through (iii) of the first paragraph of Article 136 and those listed in Article 137 of the Articles of Association shall be subject to deliberation at the special meetings of independent directors. The special meetings of independent directors may discuss and review other Company matters as necessary. A special meeting of independent directors shall be convened and chaired by one independent director jointly nominated by a majority of independent directors. If the convener fails or is unable to perform their duties, two or more independent directors may convene the meeting and nominate a representative to chair it. Special meetings of independent directors shall maintain meeting minutes in accordance with regulations, and the opinions of independent directors shall be recorded therein. Independent directors shall sign and confirm the meeting minutes. The Company shall provide necessary facilities and support for the convening of special meetings of independent directors.

Board Special Committee

The Board shall establish an Audit Committee, a Remuneration and Appraisal Committee, a Nomination Committee, and a Strategy and ESG Committee. Each committee shall have an odd number of members, with no fewer than three. These special committees are responsible to the Board and shall perform their duties in accordance with the Company's Articles of Association and the Board's authorization. Proposals from these committees shall be submitted to the Board for review and approval. All members of the special committees shall be directors. Among them, independent directors shall constitute the majority and serve as conveners in the Audit Committee, Nomination Committee, and Remuneration and Appraisal Committee. The convener of the Audit Committee shall be a person with appropriate professional qualifications, or appropriate accounting or related financial management expertise, as required under the securities regulatory rules of the place where the Shares are listed.

The Board Audit Committee shall exercise the powers and functions of a supervisory board as prescribed under the Company Law. The Audit Committee shall consist of three members, all of whom shall be directors not serving as senior management of the Company and shall be non-executive directors, including two independent directors. At least one member shall be an independent non-executive director with appropriate professional qualifications, or appropriate accounting or related financial management expertise, as required under the securities regulatory rules of the place where the Shares are listed.

The Audit Committee shall hold meetings at least once every quarter. An interim meeting may be convened upon the request of two or more members or when the convener deems it necessary. A meeting of the Audit Committee shall only be valid if at least two-thirds of its members are present. Resolutions of the Audit Committee shall be passed by an affirmative vote of a majority of its members. Each member of the Audit Committee shall have one vote in decision-making. The Audit Committee shall prepare meeting minutes in accordance with applicable requirements, and all attending members shall sign the minutes. The working procedures of the Audit Committee shall be formulated by the Board of Directors.

SENIOR MANAGEMENT

The Company shall have one General Manager, who shall be appointed or dismissed by the Board of Directors. The Company may have several Deputy General Managers, who shall also be appointed or dismissed by the Board of Directors. The General Manager, Deputy General Managers, Chief Financial Officer, and Company Secretary shall constitute the Senior Management of the Company.

The provisions of the Articles of Association regarding disqualifications for directors and departure management systems shall apply equally to Senior Management. The provisions concerning directors' fiduciary duties and duty of care shall likewise apply to Senior Management.

The general manager shall serve a term of three years and may serve consecutive terms if re-employed.

The general manager shall be accountable to the Board of Directors and exercise the following functions and powers:

i. to lead the Company's production, operation and management, organize the implementation of the resolutions of the Board of Directors, and report to the Board of Directors;

ii. to organize the implementation of the Company's annual operation plan and investment proposal;

iii. to prepare the plan for the establishment of the Company's internal management department;

iv. to prepare the basic management system of the Company;

v. to formulate the specific rules and regulations of the Company;

vi. to propose to the Board of Directors the appointment or dismissal of the Company's deputy general manager and financial officer;

vii. to decide on the appointment or dismissal of management personnel other than those required to be appointed or dismissed by the Board of Directors;

viii. other powers authorized by the Articles of Association or the Board of Directors.

The Company shall have a Secretary to the Board of Directors, who is responsible for preparing the Shareholders' Meeting and the Board of Directors, keeping documents, managing the materials regarding the shareholders of the Company, and dealing with information disclosure and other matters.

FINANCIAL AND ACCOUNTING SYSTEMS, DISTRIBUTION OF PROFITS AND AUDIT

Financial and Accounting System

The Company shall develop its financial and accounting systems pursuant to laws, administrative regulations and the requirements of the competent authorities of China, and the securities regulatory rules of the place where the Company's shares are listed.

The Company shall submit and disclose its annual report to the local office of the CSRC and the stock exchange where the Company's shares are listed within four months from the end of each fiscal year, and its interim report within two months from the end of the first half of each fiscal year. If the securities regulatory authority in the listing jurisdiction has different requirements, such requirements shall prevail. The aforementioned financial and accounting reports shall be prepared in accordance with the relevant laws, administrative regulations, and the securities regulatory rules of the listing jurisdiction.

The Company shall not keep accounts other than those provided by law. Any fund of the Company shall not be kept under any account opened in the name of any individual.

When distributing after-tax profits, the Company shall allocate 10% of the profits to the statutory reserve fund. Such allocation may cease when the accumulated statutory reserve fund exceeds 50% of the Company's registered capital. If the statutory reserve fund is insufficient to cover accumulated losses from previous years, the Company shall first use current-year profits to offset such losses before making any statutory reserve allocations under the preceding paragraph. After allocating the statutory reserve fund from after-tax profits, the Company may, by resolution of the Shareholders' Meeting, further allocate funds to a discretionary reserve fund from the remaining after-tax profits. After covering losses and allocating reserve funds, the remaining after-tax profits shall be distributed to shareholders in proportion to their shareholdings, unless otherwise provided by laws and regulations, the listing rules of the place where the Company's securities are listed, or the Articles of Association. If the Shareholders' Meeting approves any profit distribution in violation of the Company Law, shareholders must return the unlawfully distributed amounts to the Company. Shareholders and liable directors/senior management shall compensate for any losses caused to the Company. The Company's treasury shares shall not participate in profit distributions. The Company shall appoint one or more receiving agents in Hong Kong for H-shareholders. Such agents shall collect and hold dividends/distributions payable to H-shareholders; and remit such payments to the respective H-shareholders. All appointed agents must comply with applicable laws and listing jurisdiction regulations.

The Company's reserve funds shall be used to cover losses, expand production and operations, or increase registered capital through conversion. When covering losses, the Company shall first utilize the discretionary reserve fund and statutory reserve fund. If these prove insufficient, the capital reserve fund may be used in accordance with applicable regulations. If losses persist after applying these measures, the Company may reduce its registered capital to cover the remaining losses, provided that no distributions shall be made to shareholders during such reduction and shareholders' capital contribution obligations shall remain in full force. Capital reductions under this Article shall be exempt from Article 187 (2) of these Articles but require public announcement within 30 days from the shareholders' resolution on CSRC-designated media, the National Enterprise Credit Information Publicity System, the Shenzhen Stock Exchange website, and the HKEX NEWS website (https://www.hkexnews.hk). Following such capital reduction, the Company shall not distribute profits until the aggregate amount of statutory and discretionary reserves reaches 50% of the registered capital. When converting statutory reserve to capital, the retained portion shall not be less than 25% of the pre-conversion registered capital.

The Company shall implement an active and sustainable dividend policy that balances investor returns with long-term growth. Dividends may be distributed in cash, shares, or a combination thereof, with cash dividends being the preferred method. The Company generally distributes dividends annually but may also issue interim cash or stock dividends when appropriate.

The distribution of dividends (or shares) shall be completed within two months from the relevant profit distribution plan is approved by the Shareholders' Meeting, or after the Board of Directors formulates a specific interim dividend plan in accordance with the conditions and limits approved by the annual meeting for the following year. However, if applicable laws and regulations or the securities rules of the Company's listing jurisdiction prevent compliance with this two-month requirement, the implementation schedule may be adjusted accordingly based on such regulations and actual circumstances.

Internal Audit

The Company shall implement a comprehensive internal audit system that clearly defines the leadership structure, responsibilities and authorities, staffing arrangements, funding mechanisms, utilization of audit findings, and accountability procedures. The internal audit system shall be implemented upon approval by the Board of Directors and shall be publicly disclosed.

The Company's internal audit department shall conduct independent supervision and inspection of the Company's business operations, risk management, internal controls, financial information, and other relevant matters.

The internal audit department shall be responsible to the Board of Directors. In conducting its oversight of business operations, risk management, internal controls, and financial information, the internal audit department shall operate under the supervision and guidance of the Audit Committee.

The internal audit department must immediately report any material issues or significant findings directly to the Audit Committee upon discovery.

Appointment of an Accounting Firm

The Company shall appoint an accounting firm (referred to as "auditor" under the Hong Kong Stock Exchange Listing Rules) that complies with the laws, regulations and securities rules of the Company's listing jurisdiction to conduct financial statement audits, net asset verification and other related advisory services. The initial engagement period shall be one year, subject to renewal.

The engagement, dismissal or non-reappointment of the Company's accounting firm must be submitted to the board of directors for consideration after obtaining the consent of more than half of all members of the audit committee, and shall be determined by the shareholders' meeting. The appointment, removal and remuneration (or the method for determining such remuneration) of the accounting firm must be determined by an ordinary resolution of the shareholders' meeting. The board of directors shall not appoint an accounting firm prior to a decision by the shareholders' meeting.

The Company shall provide its engaged accounting firm with authentic and complete accounting vouchers, ledgers, financial reports and other accounting materials, and shall not refuse, conceal or misrepresent such information.

The audit fees for the accounting firm shall be determined by the Shareholders' Meeting.

When terminating or not renewing the engagement of an accounting firm, the Company shall provide 30 days' prior notice to the firm. The accounting firm shall have the right to present its views when the Shareholders' Meeting votes on its dismissal. If the accounting firm resigns, it must report to the Shareholders' Meeting whether there are any improper circumstances involving the Company.

MERGER, DIVISION, INCREASE AND REDUCTION OF CAPITAL, DISSOLUTION AND LIQUIDATION

Merger, Division, Increase and Reduction of Capital

Companies may be merged by way of absorption or by consolidation. In the case of a merger by absorption, a company absorbs another company and the absorbed company shall be dissolved. In the case of a merger by consolidation, two or more companies are merged together for the establishment of a new company, and the companies being merged shall be dissolved.

The Company may proceed with a merger without obtaining a Shareholders' Meeting resolution when the total consideration payable does not exceed 10% of the Company's net assets, unless otherwise stipulated in the Articles of Association. For mergers conducted under the preceding paragraph without shareholder approval, a Board of Directors resolution shall be required.

The merging parties shall execute a merger agreement and prepare both a balance sheet and a detailed asset inventory. Within 10 days after the merger resolution is adopted, the Company shall notify its creditors, and within 30 days, make a public announcement through newspapers, the National Enterprise Credit Information Publicity System, the website of the Shenzhen Stock Exchange, and the HKEX news website (https://www.hkexnews.hk). Creditors who receive notice may demand debt repayment or adequate guarantees within 30 days from receipt of such notice, while those not receiving notice may make such demands within 45 days from the announcement date. All parties shall comply with any additional requirements under the securities regulations of the Company's listing jurisdiction.

When the Company is merged, the claims and debts of each party to the merger shall be succeeded by the company surviving the merger or the new company established subsequent to the merger.

In the event of a corporate division, the Company shall effect an appropriate division of its assets. The Company shall prepare a balance sheet and detailed inventory of assets, and shall notify creditors within 10 days following the adoption of the division resolution. Within 30 days, the Company shall publish an announcement through media outlets designated by the China Securities Regulatory Commission, the National Enterprise Credit Information Publicity System, the website of the Shenzhen Stock Exchange, and the HKEX news website (https://www.hkexnews.hk). All parties shall comply with any additional requirements stipulated by the securities regulations of the Company's listing jurisdiction.

The new company resulting from the division shall be jointly liable for the debts of the existing company prior to the division, unless it is otherwise prescribed in a written agreement before the division between the company and its creditors with regard to the pay-off of debts.

The Company shall prepare a balance sheet and detailed inventory of assets when reducing its registered capital. Within 10 days after the Shareholders' Meeting resolution on capital reduction, the Company shall notify creditors and publish an announcement within 30 days through media outlets designated by the China Securities Regulatory Commission, the National Enterprise Credit Information Publicity System, the website of the Shenzhen Stock Exchange, and the HKEX news website (https://www.hkexnews.hk). Creditors who receive notice may demand debt repayment or adequate guarantees within 30 days from receipt of notice, while those not receiving notice may make such demands within 45 days from the announcement date. All parties shall comply with any additional requirements under the securities regulations of the Company's listing jurisdiction. The capital reduction shall be implemented proportionally based on shareholders' respective shareholdings, unless otherwise provided by law or the Articles of Association.

Any capital reduction conducted in violation of the Company Law or other applicable regulations shall require shareholders to return funds received, and any reduction of capital contributions shall be restored to its original state. Shareholders and responsible directors/senior management shall be liable for compensation if such illegal capital reduction causes losses to the Company.

The Company shall complete registration formalities with the company registration authority in accordance with law when: merger or division results in changes to registration matters; dissolution requires cancelation of registration; or establishment of new companies requires incorporation registration. The Company shall likewise complete change registration procedures for any increase or decrease in registered capital.

Dissolution and Liquidation

The Company may be dissolved under any of the following circumstances:

i. expiration of the business term specified in the Articles of Association or occurrence of other dissolution events stipulated herein;

ii. resolution by the Shareholders' Meeting to dissolve;

iii. dissolution required due to merger or division;

iv. revocation of business license, compulsory closure, or cancelation by administrative order in accordance with law; or

v. when serious difficulties in the Company's operations make continued existence detrimental to shareholders' interests and no alternative solutions exist, shareholders holding 10% or more of the voting rights may petition the People's Court for dissolution.

Within 10 days after the occurrence of any dissolution event specified above, the Company shall publicly announce the dissolution reason through the National Enterprise Credit Information Publicity System.

If the Company faces dissolution under the circumstances of Article 191 (i) or (ii) of the Articles of Association and has not yet distributed assets to shareholders, it may continue operations by amending the Articles of Association or through a Shareholders' Meeting resolution. Any such amendment or resolution shall require approval by at least 2/3 of the voting rights represented at the Shareholders' Meeting.

The Company shall undergo liquidation when dissolved under the circumstances of Article 191(i), (ii), (iv), or (v) of the Articles of Association. The directors shall serve as the liquidation obligors and shall form a liquidation committee within 15 days after the dissolution event occurs. The liquidation committee shall consist of directors unless otherwise stipulated in the Articles of Association or resolved by the Shareholders' Meeting. Liquidation obligors who fail to perform their duties promptly and thereby cause losses to the Company or creditors shall be liable for compensation.

The liquidation committee shall notify all known creditors within 10 days of its establishment and publish an announcement within 60 days through media outlets designated by the China Securities Regulatory Commission, the National Enterprise Credit Information Publicity System, the website of the Shenzhen Stock Exchange, and the HKEX news website (www.hkexnews.hk). Creditors shall submit their claims to the liquidation committee within 30 days after receiving notice or within 45 days after the announcement date if no notice was received. All parties shall comply with any additional requirements under the securities regulations of the Company's listing jurisdiction. When submitting claims, creditors shall specify all relevant details of their claims and provide supporting documentation. The liquidation committee shall maintain a register of all creditor claims. During the creditor claims period, the liquidation committee shall not make any repayments to creditors.

The liquidation committee shall prepare a liquidation plan after reviewing the Company's assets and compiling a balance sheet and asset inventory, which shall be submitted to the Shareholders' Meeting or the People's Court for approval. The Company's remaining assets, after paying liquidation expenses, employee wages, social insurance contributions, statutory compensation, outstanding taxes, and company debts, shall be distributed to shareholders in proportion to their shareholdings. During the liquidation period, the Company shall continue to exist but shall not engage in any business activities unrelated to the liquidation process. No distribution to shareholders shall be made prior to completing the aforementioned payments.

If the liquidation committee discovers the Company's assets are insufficient to repay its debts after reviewing the assets and preparing the balance sheet and inventory, it shall file for bankruptcy liquidation with the People's Court in accordance with the law. Upon the Court's acceptance of the bankruptcy application, the liquidation committee shall transfer all liquidation matters to the court-appointed bankruptcy administrator.

Upon completion of the liquidation process, the liquidation committee shall prepare a liquidation report for approval by the Shareholders' Meeting or the People's Court, and submit it to the company registration authority to apply for deregistration of the Company.

Members of the liquidation committee shall perform their duties with fiduciary care and diligence. Any member who fails to fulfill their obligations and thereby causes losses to the Company shall be liable for compensation; members who cause losses to creditors through intentional misconduct or gross negligence shall likewise be liable.

If the Company is declared bankrupt by law, bankruptcy liquidation shall be conducted in accordance with applicable bankruptcy legislation.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company shall amend the Articles of Association in any of the following circumstances:

i. after amendments are made to the Company Law or other relevant laws, administrative regulations and securities regulatory rules at the place where the shares of the Company are listed, any term contained in the Articles of Association become inconsistent with the said amendments;

ii. if certain changes to the Company occur resulting in inconsistency with certain terms specified in the Articles of Association;

iii. the Shareholders' Meeting has resolved to amend the Articles of Association.

Where the amendments to the Articles of Association passed by resolutions of the Shareholders' Meeting require approval of the competent authorities, the amendments shall be submitted to the relevant authorities for approval. Where the amendments involve registration matters of the Company, the involved change shall be registered in accordance with the laws.

A. FURTHER INFORMATION ABOUT OUR GROUP

1. Incorporation of Our Company

Our Company was established as a limited liability company under the laws of the PRC on June 17, 2002, and was converted into a joint stock limited company with limited liability on June 22, 2020. Our Company was registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on June 16, 2025 and have established a place of business in Hong Kong at Room 1928, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong. Ms. Kwan Sau In (關秀妍) has been appointed as the authorized representative of our Company for the acceptance of service of process and notices in Hong Kong.

As our Company is incorporated in the PRC, our operations are subject to the relevant laws and regulations of the PRC. A summary of our Articles of Association and relevant aspects of PRC law is set out in "Taxation and Foreign Exchange," "Summary of Principal Legal and Regulatory Provisions" and "Summary of Articles of Association" in Appendices III, IV and V to this Prospectus.

2. Changes in the Share Capital of Our Company

In connection with our A Share Listing, we issued an aggregate of 42,300,000 A Shares, which were listed on the main board of the Shenzhen Stock Exchange on April 2, 2024. As a result, our total issued share capital increased from RMB380,000,000 to RMB422,300,000, comprising a total of 422,300,000 A Shares. For details, see "History, Development and Corporate Structure — Major Shareholding Changes of Our Company — 6. Listing on the Shenzhen Stock Exchange" in this Prospectus.

In November and December 2024, our Company issued and allotted an aggregate of 2,965,000 Restricted A Shares to 222 eligible participants pursuant to our 2024 Restricted Share Incentive Plan, resulting in a further increase of our total issued share capital to RMB425,265,000, comprising a total of 425,265,000 A Shares.

In May 2025, our Company completed the cancelation of a total of 30,000 Restricted A Shares granted pursuant to our 2024 Restricted Share Incentive Plan as the relevant participants no longer satisfied the conditions of grant thereunder. As a result, our total issued share capital decreased from RMB425,265,000 to RMB425,235,000.

In October 2025, our Company completed the cancelation of a total of 182,500 Restricted A Shares granted pursuant to our 2024 Restricted Share Incentive Plan as the relevant participants no longer satisfied the conditions of the grant thereunder. As a result, our total issued share capital further decreased from RMB425,235,000 to RMB425,052,500.

From September 2025 to November 2025, our Company issued and allotted an aggregate of 635,000 Restricted A Shares to 78 eligible participants pursuant to our 2024 Restricted Share Incentive Plan, resulting in an increase of our total issued share capital to RMB425,687,500, comprising a total of 425,687,500 A Shares.

In November 2025, our Company completed the cancelation of a total of 23,248 Restricted A Shares granted pursuant to our 2024 Restricted Share Incentive Plan as the relevant participants no longer satisfied the conditions of the grant thereunder. As a result, our total issued share capital further decreased from RMB425,687,500 to RMB425,664,252.

From December 2025 to February 2026, following the exercise of options granted pursuant to our 2024 Share Option Incentive Plan, resulting in an increase of our total issued share capital to RMB426,446,482, comprising a total of 426,446,482 A Shares.

Save as disclosed above and the section headed "History, Development and Corporate Structure", there has been no alteration in our share capital within the two years immediately preceding the date of this Prospectus.

3. Changes in the Share Capital of Our Subsidiaries

A summary of the corporate information and the particulars of our subsidiaries are set out in Note 1 to the Accountants' Report in Appendix I to this Prospectus.

On November 15, 2023, the registered share capital of Delton International increased from USD1,000,000 to USD14,000,000. On September 3, 2024, the registered share capital of Delton International increased from USD14,000,000 to USD42,000,000.

On January 8, 2024, the registered share capital of Thailand Delton increased from THB100,000,000 to THB1,600,000,000.

On July 10, 2024, the registered share capital of Huangshi Delton increased from RMB400,000,000 to RMB580,000,000. On September 18, 2025, the registered share capital of Huangshi Delton increased from RMB580,000,000 to RMB680,000,000.

Save as disclosed above, there has been no alteration in the registered capital of our subsidiaries taken place within the two years preceding the date of this Prospectus.

4. Resolutions of Our Shareholders

On May 16, 2025, resolutions of our Shareholders were passed pursuant to which, among other things:

(a) the Articles was approved and adopted with effect from the Listing Date;

(b) the Global Offering (including the Hong Kong Public Offering and International Offering) and the Listing were approved and our Directors were authorized to allot and issue the Offer Shares pursuant to the Global Offering; and

(c) the number of H Shares to be issued shall be up to 20% of the total share capital of our Company upon completion of the Global Offering.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contracts

The following contracts (not being contracts entered into in the ordinary course of the business carried on or intended to be carried on by our Company) was entered into by any member of our Group within the two years preceding the date of this Prospectus and is or may be material:

(a) the cornerstone investment agreement dated March 6, 2026 entered into among our Company, CPE Greater China Enterprises Growth Fund, CITIC Securities (Hong Kong) Limited, CLSA Limited, HSBC Corporate Finance (Hong Kong) Limited, The Hongkong and Shanghai Banking Corporation Limited, GF Securities (Hong Kong) Brokerage Limited and Huatai Financial Holdings (Hong Kong) Limited with respect to a subscription of H Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$15,000,000;

(b) the cornerstone investment agreement dated March 6, 2026 entered into among our Company, CPE Growth Fund #1, CITIC Securities (Hong Kong) Limited, CLSA Limited, HSBC Corporate Finance (Hong Kong) Limited, The Hongkong and Shanghai Banking Corporation Limited, GF Securities (Hong Kong) Brokerage Limited and Huatai Financial Holdings (Hong Kong) Limited with respect to a subscription of H Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$900,000;

(c) the cornerstone investment agreement dated March 6, 2026 entered into among our Company, Guotai Junan Investments (Hong Kong) Limited, CITIC Securities (Hong Kong) Limited, CLSA Limited, HSBC Corporate Finance (Hong Kong) Limited, The Hongkong and Shanghai Banking Corporation Limited, GF Securities (Hong Kong) Brokerage Limited and Huatai Financial Holdings (Hong Kong) Limited with respect to a subscription of H Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$14,100,000;

(d) the cornerstone investment agreement dated March 6, 2026 entered into among our Company, CITIC Securities International Capital Management Limited, CITIC Securities (Hong Kong) Limited, CLSA Limited, HSBC Corporate Finance (Hong Kong) Limited, The Hongkong and Shanghai Banking Corporation Limited, GF Securities (Hong Kong) Brokerage Limited and Huatai Financial Holdings (Hong Kong) Limited with respect to a subscription of H Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$820,000;

(e) the cornerstone investment agreement dated March 6, 2026 entered into among our Company, Greenwoods Asset Management Hong Kong Limited, CITIC Securities (Hong Kong) Limited, CLSA Limited, HSBC Corporate Finance (Hong Kong) Limited, The Hongkong and Shanghai Banking Corporation Limited, GF Securities (Hong Kong) Brokerage Limited and Huatai Financial Holdings (Hong Kong) Limited with respect to a subscription of H Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$29,180,000;

(f) the cornerstone investment agreement dated March 6, 2026 entered into among our Company, UBS Asset Management (Singapore) Ltd. (as the delegate of the investment manager for and on behalf of (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), CITIC Securities (Hong Kong) Limited, CLSA Limited, HSBC Corporate Finance (Hong Kong) Limited, The Hongkong and Shanghai Banking Corporation Limited, GF Securities (Hong Kong) Brokerage Limited and Huatai Financial Holdings (Hong Kong) Limited with respect to a subscription of H Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$30,000,000;

(g) the cornerstone investment agreement dated March 6, 2026 entered into among our Company, Value Partners Hong Kong Limited (for itself and on behalf of (i) Value Partners Classic Fund, (ii) Value Partners High-Dividend Stocks Fund, (iii) Value Partners Funds SPC — Value Partners China A-Share Innovation Fund SP, (iv) Value Partners Ireland Fund ICAV — Value Partners Asia Ex-Japan Equity Fund, (v) Value Partners Fund Series — Value Partners Asian Income Fund, and (vi) Value Partners Multi-Asset Fund), CITIC Securities (Hong Kong) Limited, CLSA Limited, HSBC Corporate Finance (Hong Kong) Limited, The Hongkong and Shanghai Banking Corporation Limited, GF Securities (Hong Kong) Brokerage Limited and Huatai Financial Holdings (Hong Kong) Limited with respect to a subscription of H Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$25,100,000;

(h) the cornerstone investment agreement dated March 6, 2026 entered into among our Company, Value Partners Limited (for itself and on behalf of (i) Value Partners China Greenchip Fund Limited, (ii) Value Partners Intelligent Funds — JA — VP China New Century Fund, (iii) Value Partners Intelligent Funds — China Convergence Fund, and (iv) Value Partners Intelligent Funds — Chinese Mainland Focus Fund), CITIC Securities (Hong Kong) Limited, CLSA Limited, HSBC Corporate Finance (Hong Kong) Limited, The Hongkong and Shanghai Banking Corporation Limited, GF Securities (Hong Kong) Brokerage Limited and Huatai Financial Holdings (Hong Kong) Limited with respect to a subscription of H Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$4,900,000;

(i) the cornerstone investment agreement dated March 6, 2026 entered into among our Company, Eastspring Investments (Singapore) Limited (in its capacity as the duly appointed investment manager for and on behalf of the investor accounts of (i) Eastspring Investments — Asia Opportunities Equity Fund, and (ii) AHAPAG — Asia Pacific Active Growth Equity Portfolio), CITIC Securities (Hong Kong) Limited, CLSA Limited, HSBC Corporate Finance (Hong Kong) Limited, The Hongkong and Shanghai Banking Corporation Limited, GF Securities (Hong Kong) Brokerage Limited and Huatai Financial Holdings (Hong Kong) Limited with respect to a subscription of H Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$15,000,000;

(j) the cornerstone investment agreement dated March 6, 2026 entered into among our Company, Greater Bay Area Development Fund Management Limited (大灣區發展基金管理有限公司) for and on behalf of the managed account of Mega Prime Development Limited, CITIC Securities (Hong Kong) Limited, CLSA Limited, HSBC Corporate Finance (Hong Kong) Limited, The

Hongkong and Shanghai Banking Corporation Limited, GF Securities (Hong Kong) Brokerage Limited and Huatai Financial Holdings (Hong Kong) Limited with respect to a subscription of H Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$10,500,000;

(k) the cornerstone investment agreement dated March 6, 2026 entered into among our Company, Greater Bay Area Development Fund Management Limited (大灣區發展基金管理有限公司) for and on behalf of Poly Platinum Enterprises Limited, CITIC Securities (Hong Kong) Limited, CLSA Limited, HSBC Corporate Finance (Hong Kong) Limited, The Hongkong and Shanghai Banking Corporation Limited, GF Securities (Hong Kong) Brokerage Limited and Huatai Financial Holdings (Hong Kong) Limited with respect to a subscription of H Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$4,500,000;

(l) the cornerstone investment agreement dated March 6, 2026 entered into among our Company, MY Asian Opportunities Master Fund, L.P., CITIC Securities (Hong Kong) Limited, CLSA Limited, HSBC Corporate Finance (Hong Kong) Limited, The Hongkong and Shanghai Banking Corporation Limited, GF Securities (Hong Kong) Brokerage Limited and Huatai Financial Holdings (Hong Kong) Limited with respect to a subscription of H Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$10,000,000;

(m) the cornerstone investment agreement dated March 6, 2026 entered into among our Company, Baring Asset Management (Asia) Limited (in its capacity as the discretionary investment manager of certain fund(s) and discretionary investment account(s)), CITIC Securities (Hong Kong) Limited, CLSA Limited, HSBC Corporate Finance (Hong Kong) Limited, The Hongkong and Shanghai Banking Corporation Limited, GF Securities (Hong Kong) Brokerage Limited and Huatai Financial Holdings (Hong Kong) Limited with respect to a subscription of H Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US10,000,000;

(n) the cornerstone investment agreement dated March 6, 2026 entered into among our Company, Dajia Life Insurance Co., Ltd. (大家人壽保險股份有限公司), CITIC Securities (Hong Kong) Limited, CLSA Limited, HSBC Corporate Finance (Hong Kong) Limited, The Hongkong and Shanghai Banking Corporation Limited, GF Securities (Hong Kong) Brokerage Limited and Huatai Financial Holdings (Hong Kong) Limited with respect to a subscription of H Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$10,000,000;

(o) the cornerstone investment agreement dated March 6, 2026 entered into among our Company, ICBC Wealth Management Co., Ltd. (工銀理財有限責任公司), CITIC Securities (Hong Kong) Limited, CLSA Limited, HSBC Corporate Finance (Hong Kong) Limited, The Hongkong and Shanghai Banking Corporation Limited, GF Securities (Hong Kong) Brokerage Limited and Huatai Financial Holdings (Hong Kong) Limited with respect to a subscription of H Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$10,000,000; and

(p) the Hong Kong Underwriting Agreement.

2. Our Intellectual Property Rights

(a) Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we consider to be material in relation to our business:

No.	Trademark	Class	Registrant	Place of registration	Registration number	Expiry date
1.	广合	7	Company	PRC	25282369	July 6, 2028
2.	广合科技	7	Company	PRC	25284591	July 6, 2028
3.	Delton	7	Company	PRC	25296248	September 20, 2028
4.	广合科技	35	Company	PRC	25288403	September 20, 2028
5.	广合	38	Company	PRC	25278626	September 20, 2028
6.	广合科技	9	Company	PRC	25286073	September 20, 2028
7.	广合	9	Company	PRC	25282381	September 20, 2028
8.	广合	42	Company	PRC	25281625	September 20, 2028
9.	广合科技	42	Company	PRC	25280890	September 20, 2028
10.	广合科技	38	Company	PRC	25280201	September 20, 2028
11.	guanghe	7	Company	PRC	25292396	October 13, 2028
12.	guanghe	9	Company	PRC	25290829	October 13, 2028
13.	guanghe	42	Company	PRC	25289255	October 13, 2028
14.	Delton	7	Company	PRC	25288997	October 13, 2028
15.	DTIDelton	9	Company	PRC	32748765	April 13, 2029
16.	DTIDELTON	9	Company	PRC	32730724	April 13, 2029
17.	BTIDelton	9	Company	PRC	32739178	April 13, 2029
18.	BTIDELTON	9	Company	PRC	32737627	April 13, 2029

No.	Trademark	Class	Registrant	Place of registration	Registration number	Expiry date
19.		7, 9	Company	PRC	47852386	February 20, 2031
20.	DELTON	7	Company	PRC	49141480	June 20, 2031
21.	DELTON	9	Company	PRC	49121407	August 20, 2031
22.	广合	1	Company	PRC	78171170	October 13, 2034
23.	广合	40	Company	PRC	78181138	October 27, 2034
24.	广合科技	42	Company	PRC	78155418A	November 13, 2034
25.	广合	42	Company	PRC	78166620A	November 13, 2034
26.	广合科技	1	Company	PRC	78169665	October 6, 2034
27.	广合科技	40	Company	PRC	78155336	October 6, 2034
28.		1	Company	PRC	78180825	December 27, 2034
29.	DELTON	40	Company	PRC	78161326	January 6, 2035
30.	DELTON	1	Company	PRC	78167999	February 27, 2035
31.		7, 9, 42	Company	Hong Kong	306877081	April 21, 2035
32.	广合科技	7, 9, 42	Company	Hong Kong	306877270	April 21, 2035
33.	DELTON	7, 9, 42	Company	Hong Kong	306877261	April 21, 2035

(b) Patents

As of the Latest Practicable Date, we had registered the following patents which we consider to be material to our business:

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
1.	A PCB board identification method and PCB board (一種PCB板的標識方法和PCB板)	Invention	Company	PRC	ZL202110688457.6	June 21, 2021
2.	The method of controlling the thickness of board production (電路板生產厚度管控的方法)	Invention	Company	PRC	ZL202110657100.1	June 11, 2021
3.	A processing method and circuit board for gold finger leads (一種金手指引線的加工方法和電路板)	Invention	Company	PRC	ZL202110603216.7	May 31, 2021
4.	A method of gold plating on three sides of a gold finger (一種金手指三面鍍金的方法)	Invention	Company	PRC	ZL202110539242.8	May 18, 2021
5.	A method of machining cucurbits (一種葫蘆狀異形孔的加工方法)	Invention	Dongguan Delton	PRC	ZL202110383099.8	April 9, 2021
6.	A multi-layer board and its method of manufacture (一種多層板及其製造方法)	Invention	Company	PRC	ZL202110168559.5	February 7, 2021
7.	Printer efficiency improvement methods, electronic devices and storage media (噴印機效率提升方法、電子設備及存儲介質)	Invention	Company	PRC	ZL202110141171.6	February 1, 2021

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
8.	The method for determining the back drill depth of the printed circuit board (印製電路板的背鑽鑽深的確定方法)	Invention	Company	PRC	ZL202110138759.6	February 1, 2021
9.	A method, system, terminal and medium for measuring and controlling layer bias by capacitance (一種通過電容測量與控制層偏的方法、系統、終端及介質)	Invention	Company	PRC	ZL202011585450.3	December 28, 2020
10.	Printed circuit boards with embedded stereo metal base and their processing methods (內嵌立體金屬基的印製電路板及其加工方法)	Invention	Company	PRC	ZL202011581570.6	December 28, 2020
11.	A method to improve the accuracy of PCB backdrill drilling (一種提高PCB背鑽鑽深精度的方法)	Invention	Company	PRC	ZL202011453503.6	December 11, 2020
12.	An automated method of output of AVI appearance checker data (一種AVI外觀檢查機的資料的自動化輸出方法)	Invention	Company	PRC	ZL202011427902.5	December 9, 2020
13.	A control method to improve impedance accuracy (一種提升阻抗精度的控制方法)	Invention	Company	PRC	ZL202011427896.3	December 9, 2020
14.	An intelligent control method and control system for the interior AOI process (一種內層AOI工藝智慧化控制方法及控制系統)	Invention	Company	PRC	ZL202011330152.X	November 24, 2020

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
15.	A treatment method for poor etching in the PCB negative process (一種PCB負片工藝中蝕刻不淨的處理方法)	Invention	Company	PRC	ZL202011262443.X	November 12, 2020
16.	A PCB ultra high aspect ratio mechanical drilling method (一種PCB超高縱橫比機械鑽孔加工方法)	Invention	Company	PRC	ZL202011245876.4	November 10, 2020
17.	A PCB construction that verifies the heat resistance of different materials (一種驗證不同材料耐熱能力的PCB結構)	Invention	Company	PRC	ZL202010462595.8	May 27, 2020
18.	A treatment method for backdrilled bad boards for PCBs (一種PCB的背鑽不良板的處理方法)	Invention	Company	PRC	ZL201911417957.5	December 31, 2019
19.	A PCB-based L-shaped slotted hole machining method (一種基於PCB的L型槽孔加工方法)	Invention	Company	PRC	ZL201911248317.6	December 9, 2019
20.	A segmented board method based on a stepped gold-plated plug PCB (一種基於階梯鍍金插頭式PCB電路板的分段制板方法)	Invention	Company	PRC	ZL201911132185.0	November 19, 2019
21.	An energy-saving control system and method (一種節能控制系統及方法)	Invention	Company	PRC	ZL201910799160.X	August 28, 2019
22.	A controlled depth milling design process for PCB boards (一種PCB板的控深銑設計工藝方法)	Invention	Company	PRC	ZL201911128682.3	November 18, 2019

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
23.	A method of processing PCB finished board swelling (一種PCB成品板漲縮的處理方法)	Invention	Company	PRC	ZL201910799216.1	August 28, 2019
24.	A method of automatic acquisition and analysis of PCB board impedance information (一種PCB板阻抗資訊自動採集及分析方法)	Invention	Company	PRC	ZL201910510416.0	June 13, 2019
25.	A high-speed PCB-board outer loss control process (一種高速PCB板內外層損耗控制工藝)	Invention	Company	PRC	ZL201910510412.2	June 13, 2019
26.	A smart home sensor board and its preparation method (一種智慧家居感應器用線路板及其製備方法)	Invention	Company	PRC	ZL201910174439.9	March 8, 2019
27.	A method to improve the local deformation of the set in a multi-layer printed circuit large panel (一種改善多層印製電路大拼板內套板局部形變的方法)	Invention	Company	PRC	ZL201811406218.1	November 23, 2018
28.	A method of heating cutting that improves the quality of the semi-cured discs (一種改善半固化片品質的加熱裁切方法)	Invention	Company	PRC	ZL201811290568.6	October 31, 2018
29.	A method for determining the aperture of a microslice (一種微切片的孔徑的確定方法)	Invention	Company	PRC	ZL201811002562.4	August 30, 2018
30.	A method of making fine lines to flexible circuit boards (一種撓性電路板精細線路的製作方法)	Invention	Company	PRC	ZL201811004147.2	August 30, 2018

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
31.	Method for creating efficient drilling tools (高效鑽孔工具的生成方法)	Invention	Company	PRC	ZL201810379794.5	April 25, 2018
32.	A two-dimensional code-based Ferring retroactive management system and method (一種基於二維碼的菲林追溯管理系統及方法)	Invention	Company	PRC	ZL201710849230.9	September 20, 2017
33.	A highly effective anti-percolation machining method for PCB board drilling (一種PCB板鑽孔高效防呆的加工方法)	Invention	Dongguan Delton	PRC	ZL201710849211.6	September 20, 2017
34.	A PCB break-proof plate milling slot and its application method (一種PCB防斷板銑鍍槽及其應用方法)	Invention	Company	PRC	ZL201610291976.8	May 5, 2016
35.	A method of machining to prevent burring and reduce milling cutter wear (一種防銑鍍槽毛刺及降低銑刀磨損加工方法)	Invention	Company	PRC	ZL201610292252.5	May 5, 2016
36.	A PCB board prevention vacuum etched line tooth processing method (一種PCB線路板預防真空蝕刻線線路狗牙加工方法)	Invention	Company	PRC	ZL201610292251.0	May 5, 2016
37.	A back-drilling method for the BGA position on the PCB (一種PCB上BGA位置的背鑽孔製作方法)	Invention	Company	PRC	ZL201610291974.9	May 5, 2016

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
38.	A type of inner hole puncher anti-friction plate and inner hole puncher (一種內層沖孔機防摩擦板及內層沖孔機)	Utility Model	Company	PRC	ZL202221963842.3	July 27, 2022
39.	A new type of swing link and developer (一種新型搖擺連杆及顯影機)	Utility Model	Company	PRC	ZL202221849653.3	July 18, 2022
40.	A transfer device and dust machine for bending paddles to remove dust (一種用於彎翹板除塵的傳輸裝置及粘塵機)	Utility Model	Company	PRC	ZL202221522011.2	June 17, 2022
41.	A special vehicle for brush replacement (一種磨刷刷毛更換專用車)	Utility Model	Company	PRC	ZL202221396723.4	June 6, 2022
42.	A PCB emitter assembly (一種PCB發射極元件)	Utility Model	Company	PRC	ZL202221344097.4	May 31, 2022
43.	A recovery mechanism for cleaning solutions for gold-plated workpieces (一種鍍金工件清洗液的回收裝置)	Utility Model	Company	PRC	ZL202221296187.0	May 27, 2022
44.	A tapping aid (一種攻牙輔助工具)	Utility Model	Company	PRC	ZL202221244959.6	May 23, 2022
45.	A target machine suction plate module and target machine (一種打靶機吸板模組及打靶機)	Utility Model	Company	PRC	ZL202221206842.9	May 18, 2022

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
46.	An automatic drying device (一種自動烘乾裝置)	Utility Model	Company	PRC	ZL202220980640.3	April 26, 2022
47.	Air deflector assembly (導氣墊板組件)	Utility Model	Company	PRC	ZL202220766533.0	March 31, 2022
48.	A cross member for PCB board transfer (一種用於PCB板轉運的橫樑裝置)	Utility Model	Company	PRC	ZL202220717242.2	March 30, 2022
49.	A test structure used to test voltage between PCB layers (一種用於測試PCB層間耐電壓的測試結構)	Utility Model	Company	PRC	ZL202220532554.6	March 11, 2022
50.	A measuring device for PCB backhole piles (一種PCB背鑽孔殘樁的測量裝置)	Utility Model	Company	PRC	ZL202220238922.6	January 28, 2022
51.	A square steel alignment fixture (一種方鋼校正夾具)	Utility Model	Company	PRC	ZL202123452474.4	December 31, 2021
52.	A pallet jack width adjustment (一種收板機調寬裝置)	Utility Model	Company	PRC	ZL202123452149.8	December 31, 2021
53.	A graphic tinned intelligent water filling device and electroplating system to improve the electrodissolving tin (一種圖形鍍錫智慧補水裝置及改善圖電溶錫的電鍍系統)	Utility Model	Company	PRC	ZL202123444025.5	December 30, 2021
54.	A PCB production line water-saving flow regulating device (一種PCB產線節水流量調節裝置)	Utility Model	Company	PRC	ZL202123381102.7	December 29, 2021
55.	A board gold finger plated construction (一種電路板金手指鍍金結構)	Utility Model	Company	PRC	ZL202122901261.9	November 24, 2021

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
56.	An AOI test tool trolley for PCB boards (一種用於PCB板的AOI檢測工具車)	Utility Model	Company	PRC	ZL202122766159.2	November 10, 2021
57.	Auxiliary engagement (輔助接合裝置)	Utility Model	Company	PRC	ZL202122628500.8	October 29, 2021
58.	A gold wire filter unit (一種化金線金槽過濾裝置)	Utility Model	Company	PRC	ZL202122363797.X	September 28, 2021
59.	A clamping device (一種夾持裝置)	Utility Model	Company	PRC	ZL202122262379.1	September 17, 2021
60.	A plating cylinder filtration system and plating equipment (一種電鍍缸過濾系統及電鍍設備)	Utility Model	Company	PRC	ZL202122185786.7	September 10, 2021
61.	A suction unit (一種吸盤裝置)	Utility Model	Company	PRC	ZL202122123882.9	September 3, 2021
62.	Removal mechanism for the pin (PIN針的拆卸裝置)	Utility Model	Company	PRC	ZL202122109612.2	September 2, 2021
63.	A vacuum pipe control assembly (一種吸塵管控制元件)	Utility Model	Company	PRC	ZL202121885457.7	August 12, 2021
64.	A circuit board (一種電路板)	Utility Model	Company	PRC	ZL202121873683.3	August 11, 2021
65.	A type of spray mount (一種噴塗固定座)	Utility Model	Company	PRC	ZL202121307135.4	June 11, 2021
66.	A flap stage structure for the inner coating line (一種內層塗佈線的翻板台結構)	Utility Model	Company	PRC	ZL202121259553.0	June 7, 2021
67.	A type of dust hood (一種吸塵罩)	Utility Model	Company	PRC	ZL202121162166.5	May 27, 2021

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
68.	A management tool for tap and drill bits (一種絲錐和鑽頭的管理工具)	Utility Model	Company	PRC	ZL202121146525.8	May 26, 2021
69.	A type of bushing (一種軸套)	Utility Model	Company	PRC	ZL202120962318.3	May 7, 2021
70.	A pre-assembled module for PCB panels and micro-slides (一種PCB拼板及微切片預裝模組)	Utility Model	Company	PRC	ZL202120870128.9	April 26, 2021
71.	A circuit board that allows easy control of the depth of the back drill (一種易於控制背鑽深度的線路板)	Utility Model	Company	PRC	ZL202120810614.1	April 20, 2021
72.	A feed throat for the circuit board return line (一種線路板回流線的下料架)	Utility Model	Company	PRC	ZL202120618849.0	March 26, 2021
73.	A device that improves the thickness uniformity of gold plating (一種改善鍍金金厚均勻性的裝置)	Utility Model	Company	PRC	ZL202120558019.3	March 18, 2021
74.	A pre-treatment device for spraying exhaust gases (一種噴塗廢氣預處理裝置)	Utility Model	Company	PRC	ZL202120439877.6	March 1, 2021
75.	A quick brush tool (一種快速塗刷工具)	Utility Model	Company	PRC	ZL202120359206.9	February 7, 2021
76.	A brush tool (一種塗刷工具)	Utility Model	Company	PRC	ZL202120347270.5	February 7, 2021
77.	A convenient DES wirewind knife fixing adjuster assembly (一種便捷式DES線風刀固定調整器元件)	Utility Model	Company	PRC	ZL202120358761.X	February 7, 2021

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
78.	A device that improves the accuracy of the semi-automatic exposure machine panel (一種提升半自動曝光機放板精度的裝置)	Utility Model	Company	PRC	ZL202120025107.7	January 6, 2021
79.	A modified cartridge latch (一種改良型過濾筒鎖扣)	Utility Model	Company	PRC	ZL202120026104.5	January 6, 2021
80.	A stop that prevents wear of the clamping device (一種防夾具磨損的止擋)	Utility Model	Company	PRC	ZL202120025108.1	January 6, 2021
81.	A structure that prevents the HDI board from warping (一種防止HDI板翹曲結構)	Utility Model	Company	PRC	ZL202120025756.7	January 6, 2021
82.	A circuit board that improves the drilling of brushed wires (一種改善鑽孔拉銅絲的線路板)	Utility Model	Company	PRC	ZL202022930994.0	December 9, 2020
83.	A PCB board water break test device (一種PCB板水破試驗裝置)	Utility Model	Company	PRC	ZL202022718357.7	November 23, 2020
84.	A corrosion resistant straw clamp (一種耐腐蝕撈板夾)	Utility Model	Company	PRC	ZL202022717334.4	November 23, 2020
85.	New V-mount unit (新型V形座裝置)	Utility Model	Company	PRC	ZL202022613674.2	November 12, 2020
86.	Convenient fixture for flying targets and copper strips (便捷式飛靶和銅條的固定裝置)	Utility Model	Company	PRC	ZL202022575959.1	November 10, 2020
87.	A small round knife surround vacuum cleaner box (一種小圓刀包圍式吸塵盒)	Utility Model	Company	PRC	ZL202022310247.7	October 16, 2020

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
88.	A modified type of pressure spray fitting (一種改良型噴壓接頭)	Utility Model	Company	PRC	ZL202022100597.0	September 23, 2020
89.	A fixture device that improves the efficiency of film removal plasma removal (一種提高除膠片等離子除膠效率的夾具裝置)	Utility Model	Company	PRC	ZL202021486208.6	July 24, 2020
90.	A comprehensive test module for PCB reliability (一種PCB可靠性綜合測試模組)	Utility Model	Company	PRC	ZL202020587730.7	April 20, 2020
91.	A modified TDR probe grounding strap and TDR probe (一種改良型TDR探頭接地片及TDR探頭)	Utility Model	Company	PRC	ZL201921996356.X	November 19, 2019
92.	A type of spray needle (一種噴塗噴針)	Utility Model	Company	PRC	ZL201921998029.8	November 19, 2019
93.	A high heat dissipation, low loss PCB board (一種高散熱、低損耗的PCB板)	Utility Model	Company	PRC	ZL201921997542.5	November 19, 2019
94.	A secondary dry film system for circuit board processing (一種用於線路板加工的二次幹膜系統)	Utility Model	Company	PRC	ZL201921689331.5	October 10, 2019
95.	A pneumatic vibrator (一種氣動震動器)	Utility Model	Company	PRC	ZL201921670346.7	October 8, 2019
96.	A thermal wire assembly for positive-dipped printed circuit boards (一種用於正凹蝕印製電路板的感溫線元件)	Utility Model	Company	PRC	ZL201921671216.5	October 8, 2019

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
97.	An electrical cabinet moving table top (一種電控櫃移動檯面)	Utility Model	Company	PRC	ZL201921559258.X	September 18, 2019
98.	A gripping fixture for brown buried copper blocks (一種埋銅塊棕化夾具)	Utility Model	Company	PRC	ZL201921428143.7	August 30, 2019
99.	A new type of riveter lower die holder (一種新型鉚釘機下模座)	Utility Model	Company	PRC	ZL201921406108.5	August 28, 2019
100.	A screen printer for PCB board test printing Mylar film (一種用於PCB板試印Mylar膜的絲印機)	Utility Model	Company	PRC	ZL201920887074.X	June 13, 2019
101.	The oscillating device and the device using the oscillating device (震盪裝置及使用該震盪裝置的裝置)	Utility Model	Company	PRC	ZL201920852276.0	June 6, 2019
102.	A tool for handling copper clad plates (一種搬運覆銅板的工具)	Utility Model	Company	PRC	ZL201821413223.0	August 30, 2018
103.	A PCB voltage resistant test tool (一種PCB耐壓測試治具)	Utility Model	Company	PRC	ZL201821412504.4	August 30, 2018
104.	New type of plating rack (新型電鍍架)	Utility Model	Company	PRC	ZL201820600234.3	April 25, 2018
105.	PAD that reduces GGB probe loss (減少GGB探頭損耗的PAD)	Utility Model	Company	PRC	ZL201820598882.X	April 25, 2018
106.	A new PCB process indicates a tamper-proof loss tracking trolley (一種新型的PCB工藝指示卡防丟失跟蹤台車)	Utility Model	Company	PRC	ZL201820069022.7	January 16, 2018

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
107.	A new type of PCB sheet storage vehicle (一種新型的PCB薄板專用存放車)	Utility Model	Company	PRC	ZL201820068318.7	January 16, 2018
108.	A new type of L-frame dedicated to the drilling clamp PIN plate (一種新型的鑽孔夾PIN放板專用L型車架)	Utility Model	Company	PRC	ZL201820068316.8	January 16, 2018
109.	Plug in a low loss circuit board (插入損耗低的線路板)	Utility Model	Company	PRC	ZL201820044419.0	January 11, 2018
110.	PCB board to prevent wall separation (預防孔壁分離的PCB板)	Utility Model	Company	PRC	ZL201820044427.5	January 11, 2018
111.	Processing unit for deburring in the PTH half-hole (去除PTH半孔孔內毛刺的加工裝置)	Utility Model	Company	PRC	ZL201820044426.0	January 11, 2018
112.	Automatic PCB temperature control system (PCB壓合料溫自動控制系統)	Utility Model	Company	PRC	ZL201820044873.6	January 11, 2018
113.	PCB high precision hole processing unit (PCB高精度孔位元加工裝置)	Utility Model	Company	PRC	ZL201820044871.7	January 11, 2018
114.	A wrinkle-proof PCB laminated fusion structure (一種防起皺PCB層壓融合結構)	Utility Model	Company	PRC	ZL201621473222.6	December 30, 2016
115.	A circuit board used to plate segmented gold fingers (一種用於鍍分段式金手指的線路板)	Utility Model	Company	PRC	ZL201621473220.7	December 30, 2016
116.	A PCB drilling fixture (一種PCB鑽孔定位治具)	Utility Model	Company	PRC	ZL201621473219.4	December 30, 2016

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
117.	A self-contained management system based on 2D code tracing (基於二維碼進行追溯的菲林自主管理系統)	Utility Model	Company	PRC	ZL201621473682.9	December 30, 2016
118.	A PCB break-proof plate milling slot (一種PCB防斷板銑鍍槽)	Utility Model	Company	PRC	ZL201620398636.0	May 5, 2016
119.	A device that prevents vacuum etching of line teeth (一種預防真空蝕刻線線路狗牙的裝置)	Utility Model	Company	PRC	ZL201620398621.4	May 5, 2016
120.	A PCB board inner layer production process (一種PCB板內層生產工藝)	Invention	Huangshi Delton	PRC	ZL202011245860.3	November 10, 2020
121.	A method of designing a PCB board's daughter board in a pinch-to-alignment process (一種PCB板的子主機板壓合對位設計工藝方法)	Invention	Huangshi Delton	PRC	ZL202010293818.2	April 15, 2020
122.	A storage structure for the board storage machine (一種收放板機的存放結構)	Utility Model	Huangshi Delton	PRC	ZL202121077987.9	May 19, 2021
123.	A regenerative unit used to extend the life of the acid washing tank in the PCB plant (一種用於延長PCB廠酸洗槽使用壽命的再生裝置)	Utility Model	Huangshi Delton	PRC	ZL202120524111.8	March 12, 2021
124.	A PCB board storage machine (一種PCB板收放板機)	Utility Model	Huangshi Delton	PRC	ZL202022998152.9	December 14, 2020

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
125.	A reversible type of temporary storage cooler (一種可升降式暫存冷卻機)	Utility Model	Huangshi Delton	PRC	ZL202022998153.3	December 14, 2020
126.	A PCB board plug mesh and screen printer (一種PCB板塞孔網板和絲印機)	Utility Model	Huangshi Delton	PRC	ZL202022568523.X	November 9, 2020
127.	A universal air guide plate (一種通用式導氣板)	Utility Model	Huangshi Delton	PRC	ZL202022187324.4	September 29, 2020
128.	A bolted structure and PCB fixing frame using it (一種螺栓固定結構及使用其的PCB固定框架)	Utility Model	Huangshi Delton	PRC	ZL202020416727.9	March 27, 2020
129.	An automatic guided transport device that cancels the load plate (一種取消承載盤的自動導引運輸裝置)	Utility Model	Huangshi Delton	PRC	ZL201922251576.6	December 16, 2019
130.	Method, electronics and storage medium for automatic calculation of back drill depth (自動計算背鑽深度的方法、電子設備及存儲介質)	Invention	Company	PRC	ZL202110225469.5	March 1, 2021
131.	Based on ERP system to achieve PCB water analysis and regulation methods, electronic equipment and storage media (基於ERP系統實現PCB藥水分析及調節方法、電子設備及存儲介質)	Invention	Company	PRC	ZL202110279623.7	March 16, 2021
132.	A method for improving open hole alignment and multi-layer PCB boards (一種提高開孔對準度的方法和多層PCB板)	Invention	Company	PRC	ZL202110384921.2	April 9, 2021

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
133.	A board preparation method and board (一種線路板製備方法及線路板)	Invention	Company	PRC	ZL202111135688.0	September 27, 2021
134.	A signal transmission for drilling machine depth control and the drill rig it forms (一種用於鑽床控深的信號傳輸裝置及其形成的鑽床)	Utility Model	Dongguan Delton	PRC	ZL202221825232.7	July 15, 2022
135.	A type of fusing auxiliary structure in a PCB core board (一種PCB芯板中的熱熔輔助結構)	Utility Model	Company	PRC	ZL202221825234.6	July 15, 2022
136.	A type of inner hole puncher belt mount and inner hole puncher (一種內層沖孔機皮帶固定座及內層沖孔機)	Utility Model	Company	PRC	ZL202221849617.7	July 18, 2022
137.	Rotate the clip-out structure (旋轉開夾結構)	Utility Model	Company	PRC	ZL202222320847.0	September 1, 2022
138.	An opening tool (一種開蓋工具)	Utility Model	Company	PRC	ZL202222334848.0	September 2, 2022
139.	A transmission device and inner etch production line for inner etch production lines (一種用於內層蝕刻生產線的傳輸裝置及內層蝕刻生產線)	Utility Model	Company	PRC	ZL202222494072.9	September 19, 2022
140.	A corrosion protection device for galvanized flying bars (一種電鍍飛巴的防腐裝置)	Utility Model	Company	PRC	ZL202222474888.5	September 19, 2022
141.	A guide that automatically adjusts the pressure and the crane it forms (一種自動調整壓力的導向裝置及其形成的起重機)	Utility Model	Company	PRC	ZL202222537545.9	September 23, 2022

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
142.	Float mechanism (浮架機構)	Utility Model	Company	PRC	ZL202222713523.3	October 14, 2022
143.	High pressure water pump oil seal installer (高壓水泵油封安裝用具)	Utility Model	Company	PRC	ZL202223000751.2	November 10, 2022
144.	Quick-remove wear link (快拆耐磨連軸件)	Utility Model	Company and Huangshi Delton	PRC	ZL202223577093.3	December 30, 2022
145.	PCB Anti-Wipe Dryer Structure (PCB防擦花烘乾機構)	Utility Model	Company	PRC	ZL202320731827.4	April 6, 2023
146.	A printed circuit board test set and printed circuit board system (一種印製電路板測試裝置及印製電路板系統)	Utility Model	Company	PRC	ZL202221972575.6	July 28, 2022
147.	An access device for online repair of the PCB board and how to access it (一種線上修理PCB板的檢修設備及其檢修方法)	Invention	Huangshi Delton	PRC	ZL202010327171.0	April 23, 2020
148.	A processing method for the slot of the edge card (一種金手指卡板插槽的加工方法)	Invention	Company	PRC	ZL202110996229.5	August 27, 2021
149.	PCB production line with spray pipe installation structure and sprinkler equipment (PCB生產線用噴管安裝結構及噴淋設備)	Utility Model	Company	PRC	ZL202223325066.7	December 12, 2022
150.	A PCB test board for automotive materials (一種用於汽車材料的PCB測試板)	Utility Model	Company and Huangshi Delton	PRC	ZL202223577116.0	December 30, 2022

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
151.	Fusing module (熱熔模組)	Utility Model	Company	PRC	ZL202320691340.8	March 31, 2023
152.	A PCB substrate structure (一種PCB基板結構)	Utility Model	Company	PRC	ZL202320286235.6	February 22, 2023
153.	A exhaust tower sprinkler pump suction port filter and sprinkler pump (一種廢氣塔噴淋泵吸入口過濾裝置及噴淋泵)	Utility Model	Company	PRC	ZL202320319590.9	February 23, 2023
154.	A multi-layer PCB (一種多層印刷電路板)	Utility Model	Company	PRC	ZL202321142529.8	May 11, 2023
155.	Plated hanging board clamps and plated fly target clamps for PCB boards (用於PCB板的電鍍掛板夾鉗及電鍍飛靶夾具)	Utility Model	Company	PRC	ZL202321155877.9	May 15, 2023
156.	A PCB product that contains an OCP connector (一種包含OCP連接器的PCB產品)	Utility Model	Company	PRC	ZL202321205226.6	May 18, 2023
157.	For PCB board engraving fixture and engraving machine (用於PCB板雕刻加工的固定裝置及雕刻機)	Utility Model	Company	PRC	ZL202321254014.7	May 23, 2023
158.	Split anti-stare pin (分體式防呆銷釘)	Utility Model	Dongguan Delton	PRC	ZL202320961961.3	April 25, 2023
159.	PCB Impedance General Purpose Probe and Impedance Test Set (PCB阻抗通用探頭及阻抗測試裝置)	Utility Model	Company	PRC	ZL202320392987.0	March 6, 2023

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
160.	A handling and placement component that prevents warping of the sheet (一種防止薄板翹曲的搬運放置元件)	Utility Model	Company	PRC	ZL202320686972.5	March 31, 2023
161.	A type of driller foot and drill (一種鑽孔機壓力腳及鑽孔機)	Utility Model	Dongguan Delton	PRC	ZL202320999276.X	April 27, 2023
162.	Water saving device for OSP horizontal copper wire protection and OSP horizontal copper wire protection (OSP水準護銅線的節水裝置及OSP水準護銅線)	Utility Model	Company	PRC	ZL202321254844.X	May 23, 2023
163.	A PCB product placement mold and the resulting cleaning device (一種PCB產品的放置模具及其形成的清洗裝置)	Utility Model	Company	PRC	ZL202321560650.2	June 19, 2023
164.	A type of thermal press that controls the components of the press and the thermal press that it forms (一種熱壓機的控制元件及其形成的熱壓機)	Utility Model	Company	PRC	ZL202321561598.2	June 19, 2023
165.	Anti-trailing film wrinkle film guiding structure and film machine (防拖尾膜皺吸膜導向結構及貼膜機)	Utility Model	Company	PRC	ZL202321563549.2	June 19, 2023
166.	The silkscreen sensor improves the mounting structure (絲印機感應器改進安裝結構)	Utility Model	Company	PRC	ZL202321564070.0	June 19, 2023

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
167.	A type of core plate used for the thermal structure of the core plate and its formation (一種用於芯板的散熱結構及其形成的芯板)	Utility Model	Company	PRC	ZL202321629151.4	June 26, 2023
168.	An HDI board-to-hole smart anti-stare method and HDI board (一種HDI板對位孔智慧防呆方法及HDI板)	Invention	Huangshi Delton	PRC	ZL202111646406.3	December 29, 2021
169.	An OSP processing line (一種OSP處理生產線)	Utility Model	Company	PRC	ZL202321000413.0	April 27, 2023
170.	A PCB laser drilling accuracy test device and method (一種PCB鐳射鑽孔精度測試裝置及方法)	Invention	Company	PRC	ZL201910731791.8	August 8, 2019
171.	A fully inkjet manufacturing method for circuit boards (一種電路板全噴墨製造方法)	Invention	Company	PRC	ZL201910731799.4	August 8, 2019
172.	An AOI rapid test method and rapid test system (一種AOI快速檢測方法及快速檢測系統)	Invention	Company	PRC	ZL202011529747.8	December 22, 2020
173.	A PCB board CAF test module design method (一種PCB板CAF測試模組設計方法)	Invention	Company	PRC	ZL202110001210.2	January 4, 2021
174.	Method, electronic device and storage medium for automatic preparation of impedance test files (自動製作阻抗測試檔的方法、電子設備及存儲介質)	Invention	Company	PRC	ZL202110224783.1	March 1, 2021

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
175.	A method of making a gold finger board (一種金手指板的製作方法)	Invention	Company	PRC	ZL202111291995.8	November 2, 2021
176.	A method of warpage control for PCBs (一種PCB的翹曲控制方法)	Invention	Company	PRC	ZL202111679654.8	December 31, 2021
177.	A PCB board short slotted hole drilling process (一種PCB板短槽孔鑽孔工藝)	Invention	Dongguan Delton	PRC	ZL202210459125.5	April 27, 2022
178.	A film unit and the forming of film machine and film method (一種貼膜單元及形成的貼膜機和貼膜方法)	Invention	Company	PRC	ZL202210439436.5	April 25, 2022
179.	A copper plating method for VCP wire preparation of printed circuit boards (一種VCP線製備印製線路板的鍍銅方法)	Invention	Company	PRC	ZL202210612913.3	May 31, 2022
180.	A preparation method for PCB straight graphics boards for mini LEDs (一種用於mini LED的PCB直顯板的製備方法)	Invention	Company	PRC	ZL202210912371.1	July 29, 2022
181.	Finishing method of gold finger leads (金手指引線加工方法)	Invention	Dongguan Delton	PRC	ZL202211305831.0	October 24, 2022
182.	A reminder device based on the ladder price period (基於階梯電價時段的提示裝置)	Utility Model	Company	PRC	ZL202320326300.3	February 27, 2023

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
183.	A water-saving cleaning device in an OSP copper shield and an OSP copper shield (一種OSP護銅線中的節水清洗裝置及OSP護銅線)	Utility Model	Company	PRC	ZL202320801950.9	April 12, 2023
184.	Improves the bubbling edge structure in the fusion position (改善熔合位元起泡的板邊結構)	Utility Model	Company	PRC	ZL202321964003.8	July 25, 2023
185.	Chemical sinking copper production line gas roof structure of circuit board (線路板化學沉銅生產線氣頂結構)	Utility Model	Company	PRC	ZL202322029294.8	July 31, 2023
186.	An iron-absorbing cooling device for volcanic ash equipment (一種用於火山灰設備的吸鐵冷卻裝置)	Utility Model	Company	PRC	ZL202322031856.2	July 31, 2023
187.	Spray-on washable structure for controlling the copper ion content of VCP gold-plated wire cylinders (用於管控 VCP 鍍金線金缸銅離子含量的對噴式水洗結構)	Utility Model	Company	PRC	ZL202322270435.5	August 23, 2023
188.	A transfer mechanism that prevents the core board card (一種防止芯板卡板的傳輸裝置)	Utility Model	Company and Huangshi Delton	PRC	ZL202322457682.6	September 11, 2023
189.	A PCB board flip mechanism (一種PCB板翻轉機構)	Utility Model	Company	PRC	ZL202322619933.6	September 26, 2023

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
190.	A pallet-down device for easy first-board pick-up (一種便於首板取件的收板裝置)	Utility Model	Company	PRC	ZL202322880884.1	October 26, 2023
191.	A PCB back hole quality non-destructive inspection and defect determination method (一種PCB板背鑽孔品質無損檢測與缺陷判定方法)	Invention	Company	PRC	ZL202311549514.8	November 21, 2023
192.	A rigid flexing plate (一種剛撓板)	Utility Model	Company	PRC	ZL202323133063.8	November 20, 2023
193.	Tool changer for bevel machine (斜邊機自動換刀裝置)	Utility Model	Dongguan Delton	PRC	ZL202323172486.0	November 23, 2023
194.	A transporter (一種運轉載具)	Utility Model	Company	PRC	ZL202323509879.6	December 22, 2023
195.	Solder-plug hole spacer plate (阻焊塞孔墊板)	Utility Model	Company	PRC	ZL202420351476.9	February 26, 2024
196.	A method of laser pre-guidance and mechanical drilling (一種鐳射預導和機械鑽孔加工方法)	Invention	Company	PRC	ZL202410353636.8	March 27, 2024
197.	A laser processing system and a laser processing method for metal plating of the pore wall (一種鐳射加工系統和孔壁金屬鍍層鐳射加工方法)	Invention	Company	PRC	ZL202410530235.5	April 29, 2024
198.	A PCB Bias Detection Method (一種PCB偏孔檢測方法)	Invention	Company	PRC	ZL202411132189.X	August 19, 2024

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
199.	Engineering drawing management system, management methods, computer equipment, media and terminals (工程圖紙管理系統、管理方法、電腦設備、介質及終端)	Invention	Huangshi Delton	PRC	ZL202011318618.4	November 23, 2020
200.	A design method for asymmetric stack PCB boards and PCB boards (一種不對稱疊構PCB板的設計方法及PCB板)	Invention	Company	PRC	ZL202210375200.X	April 11, 2022
201.	Copper wrinkle-proof PCB boards and PCB boards (PCB板的防銅皺工藝以及PCB板)	Invention	Company	PRC	ZL202211272033.2	October 18, 2022
202.	A method of treating the copper surface inside a printed circuit board (一種印製電路板內層銅表面的處理方法)	Invention	Company	PRC	ZL202211615035.7	December 14, 2022
203.	A method for improving backdrill mapping efficiency, a computer storage medium, and a backdrill machine (一種提高背鑽 mapping 效率的方法、計算機存儲介質和背鑽機)	Invention	Company, Huangshi Delton	PRC	ZL202211731912.7	December 30, 2022
204.	Suspended sample delivery anti-splashing device (懸浮式送樣防濺裝置)	Utility Model	Company	PRC	ZL202420190314.1	January 26, 2024
205.	Auxiliary device for vertical tin spraying of circuit boards (用於線路板垂直噴錫的輔助裝置)	Utility Model	Company	PRC	ZL202420615108.0	March 28, 2024

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
206.	Gantry wire-plated float (龍門線電鍍浮架)	Utility Model	Company	PRC	ZL202420717673.8	April 9, 2024
207.	A circuit board (一種電路板)	Utility Model	Company	PRC	ZL202420797783.X	April 17, 2024
208.	A method of making back-drilled resin plug holes and non-resin plug circuit boards (一種背鑽樹脂塞孔和非樹脂塞孔線路板的製作方法)	Invention	Company	PRC	ZL202411132235.6	August 19, 2024
209.	A low pressure sprayer oven that uses an inductive positioning mechanism and a sprayer oven (一種低壓噴塗機烤箱用感應定位機構及噴塗機烤箱)	Utility Model	Company	PRC	ZL202323665086.3	December 29, 2023
210.	Brush head and tool (塗刷頭及塗刷工具)	Utility Model	Company	PRC	ZL202420190269.X	January 26, 2024
211.	A method of preparing blind slots in PTFE high frequency circuit boards (一種PTFE高頻電路板中盲槽的製備方法)	Invention	Dongguan Delton	PRC	ZL202211079129.7	September 5, 2022
212.	Back-drilling process for circuit board through holes, back-drilling machine and circuit board (電路板過孔的背鑽加工方法、背鑽加工裝置及電路板)	Invention	Company	PRC	ZL202310008227.X	January 4, 2023
213.	A method of rework where the dry film of the PCB board is poor (一種PCB板幹膜不良的返工方法)	Invention	Company	PRC	ZL202210720535.0	June 23, 2022

No.	Patent	Patent type	Patentee	Place of registration	Patent number	Registration date
214.	A transmission device for horizontal copper sinking wire and the horizontal copper sinking wire it forms (一種水準沉銅線的傳輸裝置及其形成的水準沉銅線)	Utility Model	Company	PRC	ZL202420847708.X	April 23, 2024
215.	An adhesive dust device used to clean the core plate (一種用於對芯板進行清理的粘塵裝置)	Utility Model	Company	PRC	ZL202420627843.3	March 29, 2024
216.	A multi-layer board structure that facilitates measurement of deflation (一種便於測量漲縮量的多層板結構)	Utility Model	Company	PRC	ZL202421210294.6	May 30, 2024
217.	A display (一種顯示幕)	Utility Model	Huangshi Delton	PRC	ZL202421331440.0	June 12, 2024
218.	A testing module for a conductive anode wire (一種導電陽極絲的測試模塊)	Utility Model	Company	PRC	ZL202421758009.4	July 23, 2024
219.	A circuit board and an electronic device (一種電路板和電子設備)	Utility Model	Company	PRC	ZL202421801649.9	July 29, 2024

(c) Domain Name

As of the Latest Practicable Date, we had registered the following domain name which we consider to be material in relation to our business:

No.	Domain name	Registrant	Expiry date
1.	delton.com.cn	Company	December 28, 2031

(d) Copyright

No.	Copyright name	Registrant	Registration number	Registration date
1.	Delton Quotation Management System V1.0	Company	2025SR0896631	May 29, 2025

Save as aforesaid, as of the Latest Practicable Date, there were no other trademarks, patents or other intellectual or industrial property rights which we consider to be material in relation to our business.

C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of Interests

(a) Interests of our Directors and chief executive

Immediately following the completion of the Global Offering (assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing), the interests or short positions of our Directors and chief executive in the shares, underlying shares and debentures of our Company or our associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules, to be notified to our Company and the Stock Exchange, once the H Shares are listed, are set out below:

(i) Interest in our Company

Name of Director or chief executive	Nature of interest(1)	Number and class of Shares or underlying Shares held	Shareholding in total issued share capital upon completion of the Global Offering(2)
Mr. Xiao(3)(4)(5)(6)	Interest in controlled corporation	228,808,321 A Shares	48.43%
Ms. Liu(6)	Interest of spouse	228,808,321 A Shares	48.43%
Ms. Zeng Hong(7)	Interest in controlled corporation	43,249,099 A Shares	9.15%

Notes:

(1) All interests stated above are long positions.

(2) The calculation is based on the total number of 426,446,482 A Shares in issue immediately following the completion of the Global Offering (assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing).

(3) As of the Latest Practicable Date, Zhenyun Investment was held as to 99.90% by Mr. Xiao. By virtue of the SFO, Mr. Xiao is deemed to be interested in the Shares held by Zhenyun Investment.

(4) As of the Latest Practicable Date, the general partner of Guangsheng Investment was Mr. Xiao. By virtue of the SFO, Mr. Xiao is deemed to be interested in the Shares held by Guangsheng Investment.

(5) As of the Latest Practicable Date, the general partner of Guangcai Investment was Mr. Xiao. By virtue of the SFO, Mr. Xiao is deemed to be interested in the Shares held by Guangcai Investment.

(6) Mr. Xiao and Ms. Liu are spouses. By virtue of the SFO, they are deemed to be interested in the Shares held by each other.

(7) As of the Latest Practicable Date, the general partner of Guangxie Investment was Ms. Zeng Hong, our executive Director and general manager. By virtue of the SFO, Ms. Zeng is deemed to be interested in the Shares held by Guangxie Investment.

(ii) Interest in our associated corporations

So far as our Directors are aware, immediately following the completion of the Global Offering, no Directors or the chief executive will, directly or indirectly, be interested in the shares or underlying shares of the associated corporations of our Company.

(b) Interests of our substantial Shareholders

Save as disclosed in "Substantial Shareholders" in this Prospectus and above, our Directors are not aware of any person (other than a Director or chief executive of our Company), immediately following the completion of the Global Offering (assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing), who will have an interest or a short position in the shares or underlying shares of our Company which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or will be, directly or indirectly, interested in 10% or more of the issued voting shares of any other member of our Group any other member of our Group.

2. Particulars of Directors' Service Contracts

We have entered into a service contract with each of our Directors. Save as disclosed above, none of our Directors has entered, or has proposed to enter, any service contracts with any member of our Group (other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation)).

3. Directors' Remuneration

The aggregate remuneration paid and benefits in kind granted to our Directors by our Group in respect of the last completed financial year, being year ended December 31, 2024, was RMB4.2 million. For details of our Directors' emoluments during the Track Record Period, see Note 8 to the Accountants' Report in Appendix I to this Prospectus.

Under the arrangements in force at the date of this Prospectus, we estimate the aggregate remuneration payable to, and benefits in kind receivable by, our Directors by our Group in respect of the year ending December 31, 2025 to be approximately RMB6.7 million.

D. OUR INCENTIVE SCHEMES

1. 2024 Restricted Share Incentive Plan

Our Company adopted the 2024 Restricted Share Incentive Plan on October 17, 2024. The following is a summary of the principal terms of the 2024 Restricted Share Incentive Plan. The terms of 2024 Restricted Share Incentive Plan are not subject to the relevant provisions of Chapter 17 of the Listing Rules as the 2024 Restricted Share Incentive Plan does not involve any grant of restricted Shares by our Company after our Listing.

(a) Purpose of the plan

The purpose of the 2024 Restricted Share Incentive Plan is to further enhance our Company's long-term incentive mechanism and to attract, retain top talent and effectively motivate our employees. The 2024 Restricted Share Incentive Plan is implemented to align the interests of our Shareholders with that of our Company and our core employees, which will benefit the long-term development of our Group by striking a balance between contribution and reward, while safeguarding our Shareholders' interests.

(b) Administration

The 2024 Restricted Share Incentive Plan is subject to the approval of the Shareholders' meetings, administration by the Board and supervision by the board of supervisors and the independent Directors of our Company.

(c) Participants

The eligible participants of the 2024 Restricted Share Incentive Plan include mid-level management members, key personnels and high-potential employees of our Company (including our subsidiaries), and exclude independent Directors, supervisors, Shareholders or actual controllers who individually or collectively hold 5% or more of our Shares, and their respective spouses, parents, and children.

(d) Source and maximum number of Shares

The Shares underlying the 2024 Restricted Share Incentive Plan shall be A Shares issued by the Company or repurchased from secondary market. The maximum number of restricted Shares that can be granted under the 2024 Restricted Share Incentive Plan is 3,800,000.

(e) Date of grant and term of the plan

The date on which the restricted Shares are granted shall be determined by the Board within 60 days from the date of approval of the 2024 Restricted Share Incentive Plan by Shareholders' meeting. The grant of restricted Shares is subject to the approval of the Board and shall be registered and announced within 60 days after approval of the 2024 Restricted Share Incentive Plan by Shareholders' meeting. The 2024 Restricted Share Incentive Plan will be effective from the date of completion of the grant of restricted Shares under such plan until the date on which the restricted Shares granted under such plan are no longer subject to any lock-up or have been repurchased and canceled, provided that the term of the 2024 Restricted Share Incentive Plan shall not exceed 54 months.

(f) Lock-up for Directors and senior management

If the grantee is a Director or a senior management of our Company: (i) during their employment with our Company, the Shares to be transferred by him/her in each year shall not exceed 25% of the total Shares he or she holds; (ii) no Share held by such Director or senior management can be transferred within six months after termination of his or her employment with our Company; (iii) income gained through sale of Shares within six months of the purchase or purchase of Shares within six months of the sale shall belong to our Company and will be forfeited by the Board; and (iv) if there is any change in the applicable laws and regulations on the foregoing lock-up requirements, the grantee shall comply with such amended laws and regulations.

(g) Conditions to the grant

The restricted Shares under the 2024 Restricted Share Incentive Plan will only be granted to selected participants if the following conditions are met:

(i) The following circumstances have not occurred with respect to our Company: (a) an audit report with an adverse opinion or a disclaimer of opinion has been issued by the certified public accountant with respect to our Company's accountant's report for the most recent fiscal year; (b) an audit report with an adverse opinion or a disclaimer of opinion has been issued by the certified public accountant with respect to the internal control of the financial report for the most recent fiscal year; (c) our Company has not distributed dividends in accordance with the laws and regulations, our Articles of Association or our public commitment within the last 36 months after its listing; (d) applicable laws and regulations prohibit the implementation of share incentive; or (e) any other circumstances as determined by the CSRC; and

(ii) with respect to a grantee, none of the following circumstances having occurred: (a) the grantee has been regarded as an inappropriate person by the stock exchange within the last 12 months; (b) the grantee has been regarded as an inappropriate person by the CSRC and its local office within the last 12 months; (c) the grantee has received administrative penalty or been prohibited from entering into the securities market by the CSRC and its local office due to material non-compliance with applicable laws and regulations within the last 12 months; (d) the grantee is not qualified to serve as a director or senior management according to the PRC Company Law; (e) the grantee is prohibited from participating in any share incentive of listed companies according to applicable laws and regulations; or (f) any other circumstances as determined by the CSRC.

(h) Unlocking and vesting of restricted Shares

During the lock-up period, the restricted Shares granted to the grantee shall not be transferred or used as guarantee or for repayment of debt. In addition, the restricted Shares will only be unlocked when (i) the conditions set out under paragraph (g) above are fulfilled and (ii) the annual assessment and performance targets as set out under the 2024 Restricted Share Incentive Plan are achieved.

In respect of non-special grants, the restricted Shares will be unlocked after the lock-up period in accordance with the unlocking schedule as set out in the 2024 Restricted Share Incentive Plan as follows: (i) unlocked in tranches of 40% during the unlocking period that occurs between the first trading day after expiration of 12 months from the date of grant and the last trading day after expiration of 24 months from the date of grant; (ii) unlocked in tranches of 30% during the unlocking period that occurs between the first trading day after expiration of 24 months from the date of grant and the last trading day after expiration of 36 months from the date of grant; and (iii) unlocked in tranches of 30% during the unlocking period that occurs between the first trading day after expiration of 36 months from the date of grant and the last trading day after expiration of 48 months from the date of grant.

In respect of special grants, the restricted Shares will be unlocked after the lock-up period in accordance with the unlocking schedule as set out in the 2024 Restricted Share Incentive Plan as follows: (i) unlocked in tranches of 40% during the unlocking period that occurs between the first trading day after expiration of 18 months from the date of grant and the last trading day after expiration of 30 months from the date of grant; (ii) unlocked in tranches of 30% during the unlocking period that occurs between the first trading day after expiration of 30 months from the date of grant and the last trading day after expiration of 42 months from the date of grant; and (iii) unlocked in tranches of 30% during the unlocking period that occurs between the first trading day after expiration of 42 months from the date of grant and the last trading day after expiration of 54 months from the date of grant.

Each of the grantees is required to pay a grant price of RMB17.39 per Share to purchase the A Shares from our Company upon fulfillment of all conditions in respect of the restricted Shares.

The number of restricted Shares granted and/or the grant prices will be adjusted upon the occurrence of certain events, including increase in the share capital by way of capitalization of capital reserves, distribution of dividends, subdivision of shares, placing etc. Our Company may repurchase the restricted Shares upon the occurrence of certain events set forth in the 2024 Restricted Share Incentive Plan (including but not limited to where there is a change in the grantee's position or termination of his/her employment). Pursuant to the price adjustment mechanism and other terms and conditions as set forth in the 2024 Restricted Share Incentive Plan, the price payable by our Company for the repurchases of restricted Shares shall be equivalent to the grant price of the relevant restricted Shares.

(i) Dividend and voting rights

Prior to the unlocking of the restricted Shares, the restricted Shares (including the right to receive dividends and right to vote) shall be locked. Upon registration of transfer of the A Shares by our Company, the grantees of restricted Shares will be entitled to exercise the right of Shareholders, including but not limited to the right to receive dividends and voting rights.

(j) Outstanding Restricted A Shares

As of the Latest Practicable Date, the number of outstanding Restricted A Shares granted under the 2024 Restricted Share Incentive Plan was 2,448,500, representing approximately 0.51% of our total issued Shares immediately following the completion of the Listing (assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing):

The following table sets forth the number of outstanding restricted Shares granted to Directors, senior management or connected persons of our Company under the 2024 Restricted Share Incentive Plan as of the Latest Practicable Date:

Name of grantee	Position in our Company	Date of grant	Number of outstanding Restricted A Shares	Grant Price	Unlocking period	Approximate percentage of total issued Shares immediately after completion of the Global Offering[(1)]
Connected persons						
Mr. Zeng Zhijun . . .	Director of Thailand Delton	November 14, 2024	36,000	RMB17.39	*Note 2*	0.01%

Notes:

(1) The calculation is based on the assumption that no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing.

(2) 40%, 30% and 30% of the restricted Shares granted to Mr. Zeng Zhijun will be unlocked in the three vesting periods occurring 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.

As of the Latest Practicable Date, 24,000 restricted A Shares (being 40% of the grant) have been unlocked and 36,000 restricted A Shares remained outstanding and subject to the lock-up restrictions.

2. 2024 Share Option Incentive Plan

Our Company adopted the 2024 Share Option Incentive Plan on October 17, 2024. The following is a summary of the principal terms of the 2024 Share Option Incentive Plan. The terms of 2024 Share Option Incentive Plan are not subject to the relevant provisions of Chapter 17 of the Listing Rules as the 2024 Share Option Incentive Plan does not involve any grant of share options by our Company after our Listing.

(a) Purpose of the plan

The purpose of the 2024 Share Option Incentive Plan is to further enhance our Company's long-term incentive mechanism and to attract, retain top talent and effectively motivate our employees. The 2024 Share Option Incentive Plan is implemented to align the interests of our Shareholders with that of our Company and our core employees, which will benefit the long-term development of our Group by striking a balance between contribution and reward, while safeguarding our Shareholders' interests.

(b) Administration of the plan

The 2024 Share Option Incentive Plan is subject to the approval of the Shareholders' meetings, administration by the Board and supervision by the board of supervisors and the independent Directors of our Company.

(c) Participants of the plan

The eligible participants of the 2024 Share Option Incentive Plan include mid-level management members, key personnels and high-potential employees of our Company (including our subsidiaries), and exclude independent Directors, supervisors, Shareholders or actual controllers who individually or collectively hold 5% or more of our Shares, and their respective spouses, parents, and children.

(d) Source and maximum number of options

The Shares underlying the options to be granted under the 2024 Share Option Incentive Plan shall be A Shares issued by the Company. Each option granted represents the right to purchase one A Share within the exercise period at the exercise price. The maximum number of options that can be granted under the 2024 Share Option Incentive Plan is 3,800,000.

(e) Date of grant and duration of the plan

The first grant of options to the participants shall be determined, announced and registered within 60 days upon approval of the 2024 Share Option Incentive Plan by the Shareholders' meeting. The participants for the grant of reserved options shall be specified within 12 months upon approval of the 2024 Share Option Incentive Plan by the Shareholders' meeting, otherwise the reserved options shall become invalid. The options under 2024 Share Option Incentive Plan shall be valid from the date of the first grant of the options until all such options granted to the participants are fully exercised or canceled, provided that the term of the 2024 Share Option Incentive Plan shall not exceed 54 months.

(f) Conditions to the grant of options

The share options under the 2024 Share Option Incentive Plan will only be granted to selected participants if the following conditions are met:

(i) The following circumstances have not occurred with respect to our Company: (a) an audit report with an adverse opinion or a disclaimer of opinion has been issued by the certified public accountant with respect to our Company's accountant's report for the most recent fiscal year; (b) an audit report with an adverse opinion or a disclaimer of opinion has been issued by the certified public accountant with respect to the internal control of the financial report for the most recent fiscal year; (c) our Company has not distributed dividends in accordance with the laws and regulations, our Articles of Association or our public commitment within the last 36 months after its listing; (d) applicable laws and regulations prohibit the implementation of share incentive; or (e) any other circumstances as determined by the CSRC; and

(ii) with respect to a grantee, none of the following circumstances having occurred: (a) the grantee has been regarded as an inappropriate person by the stock exchange within the last 12 months; (b) the grantee has been regarded as an inappropriate person by the CSRC and its local office within the last 12 months; (c) the grantee has received administrative penalty or been prohibited from entering into the securities market by the CSRC and its local office due to material non-compliance with applicable laws and regulations within the last 12 months; (d) the grantee is not qualified to serve as a director or senior management according to the PRC Company Law; (e) the grantee is prohibited from participating in any share incentive of listed companies according to applicable laws and regulations; or (f) any other circumstances as determined by the CSRC.

No consideration is payable for the options granted under the 2024 Share Option Incentive Plan.

(g) Exercise of options

Options may be exercised by a grantee provided that (1) the conditions set out under paragraph (f) above are still satisfied during the exercise period; and (2) corporate-level performance evaluation, business unit and subsidiary-level performance evaluation, and individual-level performance evaluation as set out under the 2024 Share Option Incentive Plan are satisfied. The number of options granted and the exercise prices will be adjusted upon the occurrence of certain events, including increase in the share capital by way of capitalization of capital reserves, issue of bonus shares, subdivision and consolidation of shares, share placing and distribution of dividends.

The exercise schedules of the options granted under the 2024 Share Option Incentive Plan are either: (1) exercisable in tranches of 40%, 30% and 30% in each of the three 12-month exercise 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 for non-special grants; or (2) exercisable in tranches of 40%, 30% and 30% in each of the three 12-month exercise periods that occur between the first trading date after 18 months from the date of grant and the last trading day up to 54 months from the date of grant for special grants.

The exercise of the options granted shall be on a trading day, which shall not fall within the following periods: (1) 30 days before the publication of annual report or interim report. If the publication date is delayed for special reasons, the period shall be 30 days before the original publication date to the actual publication date; (2) 10 days before the publication of earnings forecast, preliminary earnings estimate or quarterly report; (3) the period starting from the date of occurrence of any significant event that may have a material impact on the trading price of the Shares and its derivatives or the commencement of decision-making process in respect of such event to the date of announcement of such event; and (4) any other period stipulated by the CSRC and the Shenzhen Stock Exchange.

The grantees must exercise their options within the exercise period of the respective options. Upon the expiry of the exercise period, options granted but not exercised will cease to be exercisable and shall be canceled by the Company.

(h) Outstanding options

As of the Latest Practicable Date, the number of A Shares underlying the outstanding options granted under the 2024 Share Option Incentive Plan amounted to 2,605,270 A Shares, representing approximately 0.55% of the issued Shares immediately following the completion of the Global Offering (assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing). As of the Latest Practicable Date, the outstanding options were held by 284 grantees. Assuming full exercise of all outstanding options granted under the 2024 Share Option Incentive Plan, the issued and outstanding shareholding of the Shareholders immediately following completion of the Global Offering will be diluted by approximately 0.55%. The dilution effect on our earnings per Share would be approximately 0.55%.

The table below sets forth the details of options granted to (i) the grantees who are Directors, members of senior management or connected persons of our Company, and (ii) other grantees who have been granted options to subscribe for an aggregate number of 30,000 or more A Shares under the 2024 Share Option Incentive Plan which were outstanding as of the Latest Practicable Date:

Name of grantee	Position in our Company	Date of grant	Address	Number of A Shares underlying the outstanding options granted	Exercise Price	Exercise period	A Shares underlying the options granted as a percentage of total issued Shares immediately after completion of the Global Offering[(1)]
Connected person							
Mr. Zeng Zhijun	Director of Thailand Delton	November 14, 2024	Huaping Community Committee Collective, No. 5 Xiawan Road, Gongbei, Xiangzhou District, Zhuhai City, Guangdong Province, PRC	36,000	RMB35.25	November 14, 2025 to November 13, 2028	0.01%
Other grantees with options for 30,000 A Shares or more							
Mr. Jin Dunquan	Head of the manufacturing department of our Company	November 14, 2024	Room 603, Building 13, No. 6 Hubin Road, Feicui Luzhou, Xintang Town, Zengcheng District, Guangzhou City, Guangdong Province, PRC	60,000	RMB35.25	November 14, 2025 to November 13, 2028	0.01%
Mr. Ji Chengguang	Head of the manufacturing engineering department of our Company	November 14, 2024	Room 803, Building 25, Dongguan Polytechnic, No. 3 Daxue Road, Songshan Lake, Dongguan City, Guangdong Province, PRC	60,000	RMB35.25	November 14, 2025 to November 13, 2028	0.01%
Mr. Yang Boren	Head of the marketing center of our Company	November 14, 2025	Room 1903, Block 4, No. 4 Fengtianyuan Fourth Street, Yongning Street, Zengcheng District, Guangzhou City, Guangdong Province, PRC	36,000	RMB35.25	November 14, 2025 to November 13, 2028	0.01%

Name of grantee	Position in our Company	Date of grant	Address	Number of A Shares underlying the outstanding options granted	Exercise Price	Exercise period	A Shares underlying the options granted as a percentage of total issued Shares immediately after completion of the Global Offering(1)
Mr. Shen Wei . . .	Head of the technical innovation department of our Company	November 14, 2025	301, 22 Baoying South Road, Huangpu District, Guangzhou City, Guangdong Province, PRC	40,000	RMB35.25	May 14, 2026 to May 13, 2029	0.01%
Mr. Shu Hailong . .	Head of the manufacturing department of our Company	November 14, 2025	Room 505, Huilin Apartment, Huangpu District, Guangzhou City, Guangdong Province, PRC	30,000	RMB35.25	May 14, 2026 to May 13, 2029	0.01%
Mr. Gao Weihua . .	Senior manager of the manufacturing department of our Company	September 23, 2025	No. 282, Group 8, Hongxing Village, Jidian Township, Xiaochang County, Xiaogan City, Hubei Province, PRC	30,000	RMB35.25	September 23, 2027 to September 22, 2028	0.01%
Mr. Yang Shaobo .	Head of the quality control department of our Company	September 23, 2025	2001, Building 1, Kaisheng Jingyuan, Dongcheng Subdistrict, Dongguan City, Guangdong Province, PRC	30,000	RMB35.25	September 23, 2027 to September 22, 2028	0.01%
Ms. Xie Peizhen . .	Head of the human resources department of our Company	September 23, 2025	1101, 13A Jinghu Chunxiao, Dongcheng District, Dongguan City, Guangdong Province, PRC	30,000	RMB35.25	September 23, 2027 to September 22, 2028	0.01%
Mr. Yang Changhai. . . .	Assistant to the general manager of our Company	September 23, 2025	22 Baoying South Road, Xiagang Subdistrict, Huangpu District, Guangzhou City, Guangdong Province, PRC	40,000	RMB35.25	September 23, 2027 to September 22, 2028	0.01%

Note:

(1) The calculation is based on the assumption that no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing.

The table below sets forth the details of options granted to other grantees (excluding (i) the abovementioned Directors, members of senior management or connected persons of our Company and (ii) other grantees who have been granted options to subscribe for an aggregate number of 30,000 or more A Shares which were outstanding as of the Latest Practicable Date) under the 2024 Share Option Incentive Plan, categorized by the number of underlying shares, which were outstanding as of the Latest Practicable Date:

Category by number of underlying A Shares	Number of grantees	Date of grant	Vesting period	Exercise period	Exercise Price	Number of A Shares underlying the outstanding options granted	A Shares underlying the outstanding options granted as a percentage of total issued Shares immediately after completion of the Global Offering [1]
1 to 29,999 . . .	172	November 14, 2024	12 months	November 14, 2025 to November 13, 2028	RMB35.25	1,344,770	0.28%
	28		18 months	May 14, 2026 to May 13, 2029	RMB35.25	335,000	0.07%
	70	September 23, 2025	12 months	September 23, 2027 to September 22, 2028	RMB35.25	465,000	0.10%
	4[2]	November 14, 2024	12 months	November 14, 2025 to November 13, 2028	RMB35.25	28,500	0.01%
		September 23, 2025	18 months	May 14, 2026 to May 13, 2029	RMB35.25	40,000	0.01%

Notes:

(1) The calculation is based on the assumption that no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing.

(2) Four grantees have been granted options on both November 14, 2024 and September 23, 2025.

E. OTHER INFORMATION

1. Estate Duty

Our Directors have been advised that no material liability for estate duty would be likely to fall upon any member of our Group.

2. Litigation

Save as disclosed in this Prospectus and so far as our Directors are aware, no litigation or claim of material importance is pending or threatened against any member of our Group.

3. Joint Sponsors

The Joint Sponsors has made an application on our behalf to the Listing Committee for the listing of, and permission to deal in, the H Shares in issue and to be issued pursuant to the Global Offering.

As of the Latest Practicable Date, the sponsor group for CITIC Securities (Hong Kong) Limited held less than 1% of the issued share capital of our Company. Each of the Joint Sponsors satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules. The Joint Sponsors will receive a fee of US$1,000,000 for acting as sponsors for the Listing.

4. No Material Adverse Change

Our Directors confirm that there has been no material adverse change in the financial or trading position of our Group since September 30, 2025 (being the date to which the latest audited consolidated financial statements of our Group were prepared).

5. Qualification and Consent of Experts

This Prospectus contains statements made by the following experts:

Name	Qualification
CITIC Securities (Hong Kong) Limited	A licensed corporation to conduct Type 4 (advising on securities) and Type 6 (advising on corporate finance) of regulated activities under the SFO
HSBC Corporate Finance (Hong Kong) Limited	A licensed corporation to conduct Type 6 (advising on corporate finance) of regulated activities under the SFO
AllBright Law Offices	Qualified PRC lawyers
Ernst & Young	Certified public accountants and registered public interest entity auditor
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Industry consultant
Starry Law Firm (Thailand) Co., Ltd.	Legal advisers as to the laws of Thailand to our Company

As of the Latest Practicable Date, none of the experts named above had any shareholding in any member of our Group 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.

The experts named above have each given and have not withdrawn their respective written consents to the issue of this Prospectus with copies of their reports, letters, opinions or summaries of opinions (as the case maybe) and references to their names included in the form and context in which they are respectively included.

6. Promoters

Information of our promoters at the time of our Company's conversion into a joint stock limited company on June 22, 2020 is as follows:

No.	Name
1.	Zhenyun Investment
2.	Guangxie Investment
3.	Guangsheng Investment
4.	Guangcai Investment
5.	Xinyu Senze Mergers and Acquisitions Investment Management Partnership (Limited Partnership) (新餘森澤併購投資管理合夥企業(有限合夥))
6.	Changjiang Securities Innovation Investment (Hubei) Co., Ltd. (長江證券創新投資(湖北)有限公司)
7.	Guangdong Yueke Zhenyue No. 1 Equity Investment Partnership (Limited Partnership) (廣東粵科振粵一號股權投資合夥企業(有限合夥))
8.	Ningbo Lijin Equity Investment Partnership (Limited Partnership) (寧波麗金股權投資合夥企業(有限合夥))
9.	Shenzhen Talent Innovation Venture No. 2 Equity Investment Fund Partnership (Limited Partnership) (深圳市人才創新創業二號股權投資基金合夥企業(有限合夥))
10.	Guangdong Yueke Shanhua Venture Capital Co., Ltd. (廣東粵科汕華創業投資有限公司)
11.	Shenzhen Baochuang Gongying Industrial Investment Fund Partnership (Limited Partnership) (深圳寶創共贏產業投資基金合夥企業(有限合夥))
12.	Guangdong Zichen Venture Capital Partnership (Limited Partnership) (廣東紫宸創業投資合夥企業(有限合夥))
13.	Shanghai Zekai Investment Partnership (Limited Partnership) (上海則凱投資合夥企業(有限合夥))
14.	Heying Tongsheng (Wuhan) Enterprise Management Center (Limited Partnership) (禾盈同晟(武漢)企業管理中心(有限合夥))
15.	Shenzhen Xiaohe Venture Capital Partnership (Limited Partnership) (深圳市小禾創業投資合夥企業(有限合夥))

Save as disclosed in this Prospectus, within the two years immediately preceding the date of this Prospectus, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to the above promoters in connection with the Global Offering and the related transactions described in this Prospectus.

7. Preliminary Expenses

We have not incurred any material preliminary expenses for the purpose of the Listing Rules.

8. Binding Effect

This Prospectus shall have the effect, where an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance insofar as applicable.

9. Bilingual Prospectus

The English language and Chinese language versions of this Prospectus are being published separately in reliance upon the exemption provided by section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

10. Miscellaneous

(a) Save as disclosed in this Prospectus, within the two years immediately preceding the date of this Prospectus:

(i) no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any capital of any member of our Group, and no Directors, promoters or experts named in "— E. Other Information — 5. Qualification and Consent of Experts" in this section have received any such payment or benefit;

(ii) no capital of any member of our Group has been issued or is proposed to be issued for cash or issued as fully or partly paid up otherwise than in cash;

(iii) none of our Directors or the experts named in "— E. Other Information — 5. Qualification and Consent of Experts" in this section have any interest, direct or indirect, in the promotion of, or in any assets which have been, acquired or disposed of by or leased to, any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group; and

(iv) no commissions (but not including commissions to sub-underwriters) have been paid or payable for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any Shares or debentures of our Company.

(b) Save as disclosed in this Prospectus:

(i) there is no arrangement under which future dividends are waived or agreed to be waived;

(ii) our Company has no outstanding convertible debt securities or debentures;

(iii) there are no founder, management or deferred shares in our Company or any of our subsidiaries;

(iv) no capital of any member of our Group is under option, or is agreed conditionally or unconditionally to be put under option;

(v) there has not been any interruption in the business of our Group which may have or have had a significant effect on our financial position in the 12 months immediately preceding the date of this Prospectus; and

(vi) none of our Directors are materially interested in any contract or arrangement subsisting at the date of this Prospectus which is significant in relation to the business of our Group.

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

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 the material contract referred to in "Statutory and General Information — B. Further Information about Our Business — 1. Summary of Material Contract" in Appendix VI to this Prospectus; and

(b) the written consents referred to in "Statutory and General Information — E. Other Information — 5. Qualification and Consent of Experts" in Appendix VI to this Prospectus.

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange at **www.hkexnews.hk** and our Company at **www.delton.com.cn** for a period of 14 days from the date of this Prospectus:

(a) the Articles of Association;

(b) the audited consolidated financial statements of our Group for the years ended December 31, 2022, 2023 and 2024 and nine months ended September 30, 2025;

(c) the Accountants' Report issued by Ernst & Young, the text of which is set out in Appendix I to this Prospectus;

(d) the report on the unaudited pro forma financial information of our Group issued by Ernst & Young, the text of which is set out in Appendix IIA to this Prospectus;

(e) the independent reporting accountants' agreed-upon procedures report on agreement with unaudited preliminary financial information for the year ended December 31, 2025 issued by Ernst & Young;

(f) the legal opinion issued by AllBright Law Offices, our PRC Legal Advisor, in respect of, among other things, the general matters and the property interests of the Group in the PRC;

(g) the legal opinion issued by Starry Law Firm (Thailand) Co., Ltd. in respect of certain aspects of Delton Technology (Thailand) Co., Ltd.;

(h) the industry report issued by Frost & Sullivan;

(i) the material contract referred to in "Statutory and General Information — B. Further Information about Our Business — 1. Summary of Material Contract" in Appendix VI to this Prospectus;

(j) the service contracts referred to in "Statutory and General Information — C. Further Information about Our Directors and Substantial Shareholders — 2. Particulars of Directors' Service Contracts" in Appendix VI to this Prospectus;

(k) the written consents referred to in "Statutory and General Information — E. Other Information — 5. Qualification and Consent of Experts" in Appendix VI to this Prospectus;

(l) the PRC Company Law, Securities Law, and the Trial Measures for the Administration Related to the Overseas Securities Offering and Listing by Domestic Companies, together with unofficial English translations thereof; and

(m) the terms of the 2024 Share Option Incentive Plan and the 2024 Restricted Share Incentive Plan.

DOCUMENT AVAILABLE FOR INSPECTION

A copy of a full list of all the grantees under the 2024 Share Option Incentive Plan will be made available for public inspection at the Company's Hong Kong legal advisor's office at 22/F, Bank of China Tower, 1 Garden Road, Hong Kong during normal business hours up to and including the date which is 14 days from the date of this Prospectus.

DELTON