CITIC Securities (Hong Kong) Limited
18/F, One Pacific Place
88 Queensway
Hong Kong

The Board of Directors
Shenzhen Kinwong Electronic Co., Ltd.
(深圳市景旺電子股份有限公司)
166 Tiegang Shuiku Road,
Xixiang Subdistrict,
Bao'an District, Shenzhen,
PRC

Date: 21 September , 2026

Dear Sirs,

Re: Consent to the issue of the prospectus of Shenzhen Kinwong Electronic Co., Ltd. (深圳市景旺電子股份有限公司) (the "**Company**") in connection with the proposed global offering and listing of the H shares of the Company

We refer to the prospectus of the Company dated 21 September, 2026 (the "**Prospectus**") in connection with the proposed global offering and listing of the H shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

We hereby give, and confirm that we have not withdrawn, (i) our written consent to the issue of the Prospectus with our name, address, qualifications, reports, letters, opinions and references thereto included in the form and context in which they respectively appear; and (ii) our consent to include a statement of the aforesaid in the Prospectus.

We hereby consent to a copy of this letter being released to the Registrar of Companies in Hong Kong and the Stock Exchange for the purpose of the registration of the Prospectus and referring to it in the Prospectus. We also hereby consent to a copy of this letter being made available on display as described in the section headed "Documents Delivered to the Registrar of Companies and Available on Display" in Appendix V to the Prospectus.

CITIC SECURITIES (HONG KONG) LIMITED

By: ______________________________

Name: Erica Law
Title: Director

Merrill Lynch (Asia Pacific) Limited
55/F, Cheung Kong Center
2 Queen's Road Central
Central
Hong Kong

The Board of Directors
Shenzhen Kinwong Electronic Co., Ltd.
(深圳市景旺電子股份有限公司)
166 Tiegang Shuiku Road,
Xixiang Subdistrict,
Bao'an District, Shenzhen,
PRC

Date: 21 September , 2026

Dear Sirs,

Re: Consent to the issue of the prospectus of Shenzhen Kinwong Electronic Co., Ltd. (深圳市景旺電子股份有限公司) (the "**Company**") in connection with the proposed global offering and listing of the H shares of the Company

We refer to the prospectus of the Company dated 21 September, 2026 (the "**Prospectus**") in connection with the proposed global offering and listing of the H shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

We hereby give, and confirm that we have not withdrawn, (i) our written consent to the issue of the Prospectus with our name, address, qualifications, reports, letters, opinions and references thereto included in the form and context in which they respectively appear; and (ii) our consent to include a statement of the aforesaid in the Prospectus.

We hereby consent to a copy of this letter being released to the Registrar of Companies in Hong Kong and the Stock Exchange for the purpose of the registration of the Prospectus and referring to it in the Prospectus. We also hereby consent to a copy of this letter being made available on display as described in the section headed "Documents Delivered to the Registrar of Companies and Available on Display" in Appendix V to the Prospectus.

MERRILL LYNCH (ASIA PACIFIC) LIMITED

By: ______________________________

Name: Meng Gao

Title: Managing Director

Guolian Securities International Capital Market Co., Limited
Unit 2103-4, 21st Floor, Li Po Chun
Chambers
189 Des Voeux Road Central
Sheung Wan, Hong Kong

The Board of Directors
Shenzhen Kinwong Electronic Co., Ltd.
(深圳市景旺電子股份有限公司)
166 Tiegang Shuiku Road,
Xixiang Subdistrict,
Bao'an District, Shenzhen,
PRC

Date: 21 September , 2026

Dear Sirs,

Re: Consent to the issue of the prospectus of Shenzhen Kinwong Electronic Co., Ltd. (深圳市景旺電子股份有限公司) (the "**Company**") in connection with the proposed global offering and listing of the H shares of the Company

We refer to the prospectus of the Company dated 21 September, 2026 (the "**Prospectus**") in connection with the proposed global offering and listing of the H shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

We hereby give, and confirm that we have not withdrawn, (i) our written consent to the issue of the Prospectus with our name, address, qualifications, reports, letters, opinions and references thereto included in the form and context in which they respectively appear; and (ii) our consent to include a statement of the aforesaid in the Prospectus.

We hereby consent to a copy of this letter being released to the Registrar of Companies in Hong Kong and the Stock Exchange for the purpose of the registration of the Prospectus and referring to it in the Prospectus. We also hereby consent to a copy of this letter being made available on display as described in the section headed "Documents Delivered to the Registrar of Companies and Available on Display" in Appendix V to the Prospectus.

GUOLIAN SECURITIES INTERNATIONAL CAPITAL MARKET CO., LIMITED

By: ______________________________

Name: YEE Pui Fonk, Janet

Title: Managing Director

Guantao
观韬律师事务所

北京市西城区金融大街5号新盛大厦B座19层
19/F, Tower B, Xinsheng Plaza,
No.5 Financial Street, Xicheng District,
Beijing 100032, China

T +86 10 6657 8066
E guantao@guantao.com
www.guantao.com

The Board of Directors
Shenzhen Kinwong Electronic Co., Ltd.
(深圳市景旺電子股份有限公司)
166 Tiegang Shuiku Road,
Xixiang Subdistrict,
Bao'an District, Shenzhen,
PRC

Date: 21 September , 2026

Dear Sirs,

Re: Consent to the issue of the prospectus of Shenzhen Kinwong Electronic Co., Ltd. (深圳市景旺電子股份有限公司) (the "**Company**") in connection with the proposed global offering and listing of the H shares of the Company

We refer to the prospectus of the Company dated 21 September, 2026 (the "**Prospectus**") in connection with the proposed global offering and listing of the H shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

We hereby give, and confirm that we have not withdrawn, (i) our written consent to the issue of the Prospectus with our name, address, qualifications, opinions and references thereto included in the form and context in which they respectively appear; and (ii) our consent to include a statement of the aforesaid in the Prospectus.

We hereby consent to a copy of this letter being released to the Registrar of Companies in Hong Kong and the Stock Exchange for the purpose of the registration of the Prospectus and referring to it in the Prospectus. We also hereby consent to a copy of (i) this letter and (ii) our legal opinions being made available on display as described in the section headed "Documents Delivered to the Registrar of Companies and Available on Display" in Appendix V to the Prospectus.

Yours faithfully,

Guantao Law Firm

Guantao Law Firm

Ernst & Young
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

安永會計師事務所
香港鰂魚涌英皇道 979 號
太古坊一座 27 樓

Tel 電話: +852 2846 9888
Fax 傳真: +852 2868 4432
ey.com

21 September 2026

The Directors
Shenzhen Kinwong Electronic Co., Ltd.
166 Tiegang Shuiku Road,
Xixiang Subdistrict,
Bao'an District, Shenzhen,
PRC

Dear Sirs,

Shenzhen Kinwong Electronic Co., Ltd. (the "Company") and its subsidiaries (the "Group") Listing on the Main Board of The Stock Exchange of Hong Kong Limited

We refer to the prospectus dated 21 September 2026 (the "Prospectus") in connection with the proposed initial listing of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited, a copy of which is attached and initialed by us on its front cover for the purpose of identification.

We hereby consent to the inclusion of our accountants' report dated 21 September 2026 on the historical financial information for the years ended 31 December 2023, 2024 and 2025 and the four months ended 30 April 2026, our report dated 21 September 2026 on review of interim financial information for the six months ended 30 June 2026, and our accountants' report dated 21 September 2026 on the unaudited pro forma financial information as at 30 April 2026 in the Prospectus, and the references to our name in the form and context in which they are included.

This letter is solely being issued in connection with the filing of the Prospectus regarding the listing of the Company's securities on The Stock Exchange of Hong Kong Limited and not for any other purpose.

Yours faithfully,

Certified Public Accountants
Hong Kong

KINWONG
景旺电子

深圳市景旺電子股份有限公司
Shenzhen Kinwong Electronic Co., Ltd.

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

Stock Code : 3228

GLOBAL OFFERING

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

CITIC SECURITIES BofA SECURITIES 國聯證券國際 GUOLIAN SECURITIES INTERNATIONAL

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

KINWONG
景旺电子

Shenzhen Kinwong Electronic Co., Ltd.
(深圳市景旺電子股份有限公司)

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

ERNST & YOUNG FOR IDENTIFICATION ONLY 31 HONG KONG

GLOBAL OFFERING

Number of Offer Shares under the Global Offering	:	**72,944,300 H Shares**
Number of Hong Kong Offer Shares	:	**7,294,500 H Shares (subject to reallocation)**
Number of International Offer Shares	:	**65,649,800 H Shares (subject to reallocation)**
Maximum Offer Price	:	**HK$69.88 per H Share, plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Hong Kong Stock Exchange trading fee of 0.00565% (payable in full on application in Hong Kong dollars and subject to refund)**
Nominal value	:	**RMB1.00 per Share**
Stock code	:	**3228**

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

CITIC SECURITIES   BofA SECURITIES   國聯證券國際

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

The Offer Price is expected to be determined by agreement between the Overall Coordinators (for themselves and on behalf of the Underwriters) and us on the Price Determination Date. The Price Determination Date is expected to be on or around Friday, September 25, 2026 (Hong Kong time) and, in any event, not later than 12:00 noon on Friday, September 25, 2026 (Hong Kong time). The Offer Price will not be more than HK$69.88 per Offer Share, unless otherwise announced. If, for any reason, the Offer Price is not agreed by 12:00 noon on Friday, September 25, 2026 (Hong Kong time) between the Overall Coordinators (for themselves and on behalf of the Underwriters) and us, the Global Offering will not proceed and will lapse.

The Overall Coordinators, for themselves and on behalf of the Underwriters, and with the consent of our Company, may, where considered appropriate, reduce the number of Hong Kong Offer Shares and/or the maximum Offer Price that is stated in this prospectus (which is HK$69.88) at any time prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such case, an announcement will be published on the websites of our Company and the Stock Exchange and the offer will be canceled and relaunched at the revised number of Offer Shares and/or the maximum Offer Price and the requirements under Rule 11.13 of the Listing Rules (which include the issue of a supplemental or a new prospectus (as appropriate)), as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the day which is the last day for lodging applications under the Hong Kong Public Offering. Further details are set forth in "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" in this prospectus.

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement are subject to termination by the Overall Coordinators (for themselves and on behalf of the Underwriters) if certain events occur prior to 8:00 a.m. on the Listing Date. See "Underwriting — Underwriting Agreements — Hong Kong Underwriting Agreement — 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 law in the United States and may not be offered, sold, pledged or transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The Offer Shares are being offered and sold (i) in the United States solely to qualified institutional buyers as defined in Rule 144A under the U.S. Securities Act pursuant to Rule 144A or another available exemption from registration requirements under the U.S. Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act. No public offering of the Offer Shares will be made in the United States.

ATTENTION

We have adopted a fully electronic application process for the Hong Kong Public Offering. We will not provide printed copies of this prospectus to the public in relation to the Hong Kong Public Offering.
This prospectus is available at the websites of the Stock Exchange (**www.hkexnews.hk**) and our Company (**https://www.kinwong.com/**). If you require a printed copy of this prospectus, you may download and print from the website addresses above.

September 21, 2026

IMPORTANT NOTICE TO INVESTORS: FULLY ELECTRONIC APPLICATION PROCESS

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

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

To apply for the Hong Kong Offer Shares, you may use one of the following application channels:

Application Channel	Platform	Target Investors	Application Time
HK eIPO White Form service	www.hkeipo.hk	Investors who would like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in your own name.	From 9:00 a.m. on Monday, September 21, 2026 to 11:30 a.m. on Thursday, September 24, 2026, Hong Kong time. The latest time for completing full payment of application monies will be 12:00 noon on Thursday, September 24, 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.

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

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

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

Your application through the **HK eIPO White Form** service or the **HKSCC EIPO** channel must be for a minimum of 100 Hong Kong Offer Shares and in one of the numbers set out in the table. 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 prefund your application based on the amount specified by your broker or custodian, as determined based on the applicable laws and regulations in Hong Kong.

No. of Hong Kong Offer Shares applied for	Maximum Amount payable[(2)] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable[(2)] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable[(2)] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable[(2)] on application/ successful allotment
	HK$		*HK$*		*HK$*		*HK$*
100	7,058.47	2,500	176,461.85	30,000	2,117,542.19	600,000	42,350,843.88
200	14,116.95	3,000	211,754.21	40,000	2,823,389.59	700,000	49,409,317.85
300	21,175.42	3,500	247,046.59	50,000	3,529,236.99	800,000	56,467,791.85
400	28,233.89	4,000	282,338.96	60,000	4,235,084.39	900,000	63,526,265.82
500	35,292.36	4,500	317,631.33	70,000	4,940,931.79	1,000,000	70,584,739.80
600	42,350.84	5,000	352,923.69	80,000	5,646,779.19	2,000,000	141,169,479.60
700	49,409.31	6,000	423,508.44	90,000	6,352,626.58	3,647,200[(1)]	257,436,663.00
800	56,467.79	7,000	494,093.18	100,000	7,058,473.98		
900	63,526.26	8,000	564,677.92	200,000	14,116,947.95		
1,000	70,584.74	9,000	635,262.65	300,000	21,175,421.95		
1,500	105,877.11	10,000	705,847.40	400,000	28,233,895.92		
2,000	141,169.48	20,000	1,411,694.80	500,000	35,292,369.90		

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

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

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

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

	Date[1]
Hong Kong Public Offering commences	9:00 a.m. on Monday, September 21, 2026
Latest time to complete electronic applications under the **HK eIPO White Form** service through the designated website at **www.hkeipo.hk**[2]	11:30 a.m. on Thursday, September 24, 2026
Application lists open[3]	11:45 a.m. on Thursday, September 24, 2026
Latest time for (a) completing payment of **HK eIPO White Form** applications by effecting internet banking transfer(s) or PPS payment transfer(s) and (b) giving **electronic application instructions** to **HKSCC**[4]	12:00 noon on Thursday, September 24, 2026

If you are instructing your **broker** or **custodian** who is a HKSCC Participant to give **electronic application instructions** via FINI to apply for the Hong Kong Offer Shares on your behalf, you are advised to contact your **broker** or **custodian** for the earliest and latest time for giving such instructions as this may vary by **broker** or **custodian**.

Application lists close[3]	12:00 noon on Thursday, September 24, 2026
Expected Price Determination Date[5]	at or before 12:00 noon on Friday, September 25, 2026
Announcement of the 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 our website at **https://www.kinwong.com/**[6] and the website of the Stock Exchange at **www.hkexnews.hk** at or before	11:00 p.m. on Monday, September 28, 2026

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

• in the announcement to be posted on our website and the website of the Stock Exchange at **https://www.kinwong.com/**[6] and **www.hkexnews.hk**, respectively	11:00 p.m. on Monday, September 28, 2026

- from the "Allotment Results" page at the designated results of allocation at **www.hkeipo.hk/IPOResult** or **www.tricor.com.hk/ipo/result** with a "search by ID" function from . . . . 11:00 p.m. on Monday, September 28, 2026 to 12:00 midnight on Sunday, October 4, 2026

- from the allocation results telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. from . . . . Tuesday, September 29, 2026 to Monday, October 5, 2026 (excluding Saturday, Sunday and public holiday in Hong Kong)

For those applying through **HKSCC EIPO** channel, you may also check with your **broke**r or **custodian** from . . . . 6:00 p.m. on Friday, September 25, 2026

H Share certificates in respect of wholly or partially successful applications to be dispatched or deposited into CCASS on or before(7)(9) . . . . Monday, September 28, 2026

HK eIPO White Form e-Auto Refund payment instructions/refund cheques in respect of wholly or partially successful applications if the final Offer Price is less than the maximum Offer Price per Offer Share initially paid on application (if applicable) or wholly or partially unsuccessful applications to be dispatched on or before(8)(9) . . . . .Tuesday, September 29, 2026

Dealings in the H Shares on the Hong Kong Stock Exchange expected to commence at 9:00 a.m. on . . . . .Tuesday, September 29, 2026

Notes:

(1) All dates and times refer to Hong Kong local dates and times, except as otherwise stated. Details of the structure of the Global Offering, including conditions of the Hong Kong Public Offering, are set forth in the section headed "Structure of the Global Offering" in this prospectus.

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

(3) If there is/are a tropical cyclone warning signal number 8 or above, or a "black" rainstorm warning and/or Extreme Conditions in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Thursday, September 24, 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" for details.

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

(5) The Price Determination Date is expected to be on or before Friday, September 25, 2026 and, in any event, not later than 12:00 noon on Friday, September 25, 2026. If, for any reason, we do not agree with the Overall Coordinators (for themselves and on behalf of the Underwriters) on the pricing of the Offer Shares by 12:00 noon on Friday, September 25, 2026, the Global Offering will not proceed and will lapse.

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

(7) The H Share certificates will only become valid evidence of title provided that the Global Offering has become unconditional in all respects and neither of the Hong Kong Underwriting Agreement nor the International Underwriting Agreement is terminated in accordance with its respective terms prior to 8:00 a.m. on the Listing Date. The Listing Date is expected to be on or about Tuesday, September 29, 2026. Investors who trade the H Shares on the basis of publicly available allocation details 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/refund checks will be issued in respect of wholly or partially unsuccessful applications and also in respect of wholly or partially successful applications in the event that the final Offer Price is less than the maximum price payable per Offer Share on application.

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

Applicants who have applied through the **HK eIPO White Form** service and paid their applications monies through single bank accounts may have refund monies (if any) dispatched to the bank account in the form of **HK eIPO White Form** e-Auto Refund payment instructions. Applicants who have applied through the **HK eIPO White Form** service and paid their application monies through multiple bank accounts may have refund monies (if any) dispatched to the address as specified in their application instructions in the form of refund checks in favor of the applicant (or, in the case of joint applications, the first-named applicant) by ordinary post at their own risk.

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

The above expected timetable is a summary only. For details of the structure of the Global Offering, including its conditions, and the procedures for applications for Hong Kong Offer Shares, please refer to the sections headed "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" in this prospectus, 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 publish an announcement as soon as practicable thereafter.

IMPORTANT NOTICE TO PROSPECTIVE INVESTORS

This prospectus is issued by us solely in connection with the Hong Kong Public Offering and the Hong Kong Offer Shares and does not constitute an offer to sell or a solicitation of an offer to buy any security other than the Hong Kong Offer Shares offered by this prospectus pursuant to the Hong Kong Public Offering. This prospectus may not be used for the purpose of making, and does not constitute, an offer or invitation in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Hong Kong Offer Shares in any jurisdiction other than Hong Kong, and no action has been taken to permit the distribution of this prospectus in any jurisdiction other than Hong Kong. The distribution of this prospectus for purposes of a public offering and the offering and sale of the Hong Kong Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.

You should rely only on the information contained in this prospectus to make your investment decision. The Hong Kong Public Offering is made solely on the basis of the information contained and the representations made in this prospectus. We have not authorized anyone to provide you with information that is different from what is contained in this prospectus. Any information or representation not contained nor made in this prospectus must not be relied on by you as having been authorized by us, the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries, the Underwriters, any of our or their respective directors, officers, employees, agents, or representatives of any of them or any other parties involved in the Global Offering. Information contained in our website, located at (https://www.kinwong.com/), does not form part of this prospectus.

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

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

OVERVIEW

Who We Are

We are a globally recognized printed circuit board ("**PCB**") manufacturer driven by technological development and distinguished by our broad product offerings.

PCB refers to a functional board with predefined conductive pathways or printed components formed on copper-clad laminate or insulating substrates, enabling precise circuit interconnection, low-loss signal transmission, and stable mechanical support. PCB can mainly be categorized into single- and double-sided PCB, multi-layer PCB ("**MLPCB**"), high-density interconnect ("**HDI**") PCB, flexible printed circuit(s) ("**FPC**") and package substrates.

Our PCB provides connectivity infrastructure for global customers in automotive electronics, telecommunication and data infrastructure, smart devices, industrial control and other sectors. With our PCB products and intelligent manufacturing capabilities, we have become a leader in the global automotive electronics PCB industry and one of the few suppliers of AI computing infrastructure core components. Our leading technical expertise and long-term oriented, high-end production capacity in high build-up HDI and HLC PCB enable us to meet the diverse needs of our global customers and seize significant growth opportunities in the AI era.

According to CIC, we are the world's largest automotive electronics PCB provider with a market share of 10.6%, and rank eleventh among all PCB providers worldwide with a market share of 2.5% in terms of revenue in 2025. Eight of the top ten global Tier 1 automotive suppliers are our customers, and our PCB products are broadly deployed in vehicles of all of the top ten global automotive groups, according to CIC. We have the capability to supply all of the PCB required in a single vehicle. Our PCB products empower automotive intelligence and electrification, underscoring our technological leadership. We have achieved mass production of LiDAR boards, fifth and sixth-generation millimeter-wave radar boards, ADCU high build-up HDI motherboards and high-voltage resistant PCB for 400V/800V electrical platforms, and we are capable of manufacturing seventh-generation millimeter-wave radar boards, and autonomous driving multi-domain control HDI PCB.

We are among the few manufacturers supplying PCB to global leading AI computing infrastructure companies. We have achieved mass production of various high-end PCB for AI computing infrastructure and other applications, such as HLC PCB (over 40 layers), 6-build-up 22-layer HDI PCB, 14-layer HDI PCB using the mSAP process, and multilayer PTFE FPC. We are capable of manufacturing over 70 layers HLC PCB, 9-build-up 28-layer HDI PCB, 12-layer any-layer rigid-flex PCB and high-speed FPC. We have also commenced the customer certification process for 11-build-up HDI PCB. Our 9-build-up HDI PCB received customer certification within only 90 days, demonstrating our technological maturity and product reliability in the AI infrastructure field.

With over 30 years of development, we have expanded our business through strong R&D capabilities, a high-quality customer base, leading production capacity deployment, and advanced intelligent manufacturing. Our end markets have expanded from consumer electronics and industrial control into automotive electronics and, more recently, into advanced technology fields such as AI computing, next-generation communication, AIoT, drones and robotics. As a PCB product manufacturer serving multiple end markets, we are well-positioned to seize emerging business opportunities across multiple fields.

Recognized Industry Position

No. 1[1]
Global Automotive Electronics PCB Manufacturer (by Revenue in 2025)

No. 5[1]
Chinese Mainland PCB Manufacturer (by Revenue in 2025)

Top No. 11[1]
Global PCB Manufacturer (by Revenue in 2025)

High-Quality Customer Base

53[2]
Countries or Regions

80%[1][2]
Coverage of Global Top 10 Tier 1 Automotive Suppliers

10 years+[3]
Average Duration of Collaboration with Our Top 10 Customers[3]

Solid Financial Performance

14
Consecutive Years of Revenue Growth, CAGR 20.2%[4]

Approx. 40%[2]
Revenue from Overseas

RMB2.1 Billion, RMB2.3 Billion, RMB1.9 Billion and RMB0.5 Billion
Net Cash Flow from Operating Activities for 2023, 2024 and 2025 and the four months ended April 30, 2026

45%, 64% and 44%
Dividend Payout Ratio[5] for 2023, 2024 and 2025

Strong Technical Expertise

Manufacturing Capability for
Over 70 Layers HLC PCB, 9-Build-up 28-Layer HDI PCB, 12-Layer Any-layer Rigid-flex PCB and High-speed FPC

Manufacturing Capability for
Seventh-generation Millimeter-wave Radar Boards, and Autonomous Driving Multi-Domain Control HDI PCB

Achieve Mass Production of
Over 40 Layers N+N Structure PCB

Long-Term Oriented Production Capacity Deployment

6[3]
Production Bases

12[3]
Factories

RMB8.0 Billion[6]
Total amount invested in the Jinwan production base, which focuses on HLC PCB and high-build-up HDI PCB

RMB8.1 Billion
Capital Expenditures in Track Record Period

Notes:

(1) According to CIC

(2) During the Track Record Period

(3) As of April 30, 2026; the reference to "Top 10 Customers" means our top 10 customers of each period during the Track Record Period

(4) Since 2011, the year our financial statements became publicly available

(5) Calculated by dividing the dividends for the corresponding year as declared in the following year by the profit for the corresponding year attributable to the shareholders of the Company

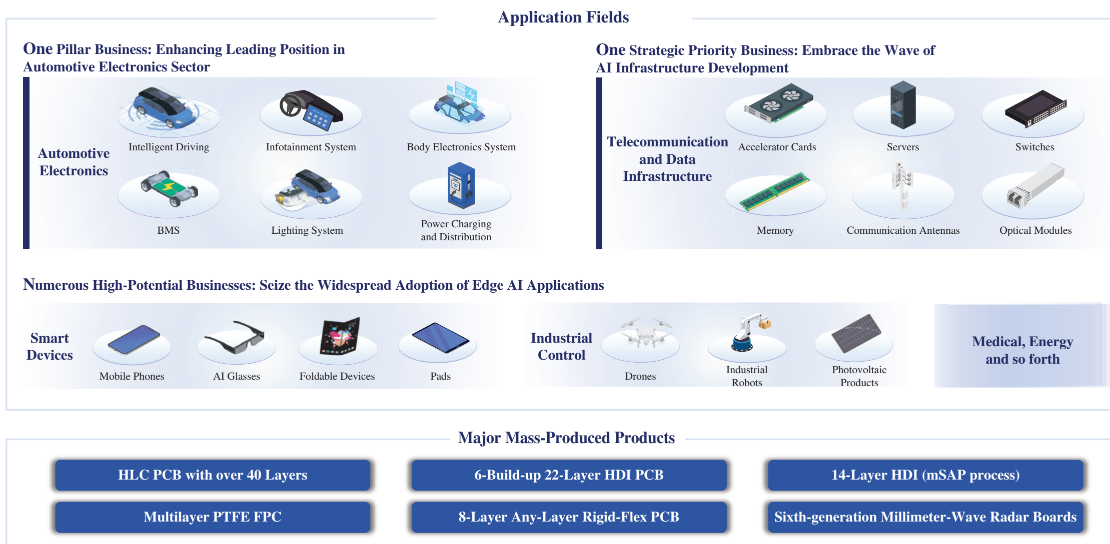
(6) From the commencement of construction in 2019 to April 30, 2026

We are committed to continuously advancing our technologies so as to maintain our market competency and share. As such, we place significant emphasis on strengthening our R&D capabilities. In 2023, 2024 and 2025, our R&D expenses amounted to RMB600.7 million, RMB757.6 million and RMB929.9 million, respectively, accounting for 5.6%, 6.0% and 6.1% of our revenue in these respective periods. For the four months ended April 30, 2025 and 2026, our R&D expenses amounted to RMB272.3 million and RMB280.7 million, respectively, accounting for 6.0% and 5.3% of our revenue in the respective periods.

We have demonstrated global market expansion capabilities and developed strategic partnerships with numerous renowned global enterprises. During the Track Record Period, we served over 800 customers globally, with products sold to 53 countries or regions.

Our Business

We hold a leading global position in automotive electronics PCB and are strategically focusing on the AI computing field. We have established a "1+1+N" business model, consisting of one pillar business — automotive electronics ("**1**"), one strategic priority business — telecommunication and data infrastructure ("**1**"), and a portfolio of high-potential businesses — smart devices and industrial control, among others ("**N**").



We offer a comprehensive PCB product portfolio, manufacturing and supplying single- and double-sided PCB, MLPCB, HDI PCB, FPC, metal-based PCB ("**MPCB**") and rigid-flex PCB. Our wide-range product portfolio enables us to penetrate customers' supply chains with specific products and deepen engagement through cross-selling multiple products. For example, our sales to automotive electronics customers typically start with RPCB, and then, propelled by our marketing efforts and the customers' actual needs, expand to other products such as FPC, HDI PCB and MPCB. In addition to the cross-selling strategy, our robust R&D capabilities enable us to empower our customers' R&D initiatives, ultimately delivering comprehensive one-stop PCB solutions. This approach not only lowers customers' supply chain management costs but also strengthens our customer retention and long-term growth potential. Our diversified product matrix also allows us to meet the PCB requirements of existing customers for new product development and to serve new customers across multiple industries, thereby capturing business opportunities in a wide spectrum of application fields.

Our Market Opportunities

The PCB industry continues to benefit from a global wave of technological advancement, presenting opportunities for both breakthroughs in innovation and expansion. As the AI era accelerates, data centers, high-speed Internet communications and other AI infrastructure are experiencing a rapid build-out. Catalyzed by AI technology, downstream applications, such as automotive electronics, smart devices, and industrial control, are advancing in intelligent upgrades and evolving into edge AI applications. Together, these trends are injecting strong growth momentum into the PCB sector, diversifying demand and expanding the overall market. According to CIC, in terms of revenue, the global PCB market is expected to grow from US$85.2 billion in 2025 to US$123.3 billion in 2030, representing a CAGR of 7.7%.

Our Financial Performance

We achieved rapid revenue and profit growth in 2023, 2024 and 2025. Our revenue was RMB10,757.3 million, RMB12,659.4 million and RMB15,308.1 million in 2023, 2024 and 2025, respectively. Our gross profit was RMB2,492.3 million, RMB2,877.7 million and RMB3,304.9 million in 2023, 2024 and 2025, respectively, and our gross profit margin was 23.2%, 22.7% and 21.6% in 2023, 2024 and 2025, respectively, as the increase in raw material prices, particularly the rising price of copper, and the ramp-up of our new production bases partially offset the benefits of our revenue growth. Our profit for the year was RMB911.0 million, RMB1,160.2 million and RMB1,244.0 million in 2023, 2024 and 2025, respectively. Our revenue continued to increase to RMB5,341.4 million for the four months ended April 30, 2026 from RMB4,533.6 million for the four months ended April 30, 2025, while our gross profit increased from RMB937.4 million for the four months ended April 30, 2025 to RMB1,001.2 million for the four months ended April 30, 2026. Our gross profit margin decreased from 20.7% to 18.7% over the same periods, which was primarily due to (i) the continued increase in prices of key raw materials, in particular the sustained elevation of prices of copper clad laminates, and (ii) the initial ramp-up of our new production bases, where fixed costs were absorbed over lower initial output volumes. Our profit for the period decreased to RMB316.9 million from RMB424.3 million over the same periods. We maintain healthy cash flow, with net cash from operating activities of RMB2,115.5 million, RMB2,289.6 million, RMB1,931.2 million and RMB493.4 million in 2023, 2024, 2025 and the four months ended April 30, 2026, respectively.

We have achieved ongoing progress in high-end products and key applications. Revenue from our HDI PCB reached RMB1,237.7 million in 2025, representing a year-on-year growth of 45.8%, with its contribution to total revenue increasing to 8.1%. In 2025, our revenue from the telecommunication and data infrastructure sector reached RMB1,590.7 million, representing a year-on-year increase of 70.7%, with its share of total revenue rising to 10.4%. As we continue to make progress in areas such as AI, we expect the revenue contribution of the telecommunication and data infrastructure sector to further increase.

We have delivered shareholder returns. We paid dividends of RMB423.6 million, RMB420.9 million and RMB740.4 million in 2023, 2024 and 2025, respectively. Our dividend payout ratio was 45.0%, 64.0% and 44.0% in 2023, 2024 and 2025, respectively.

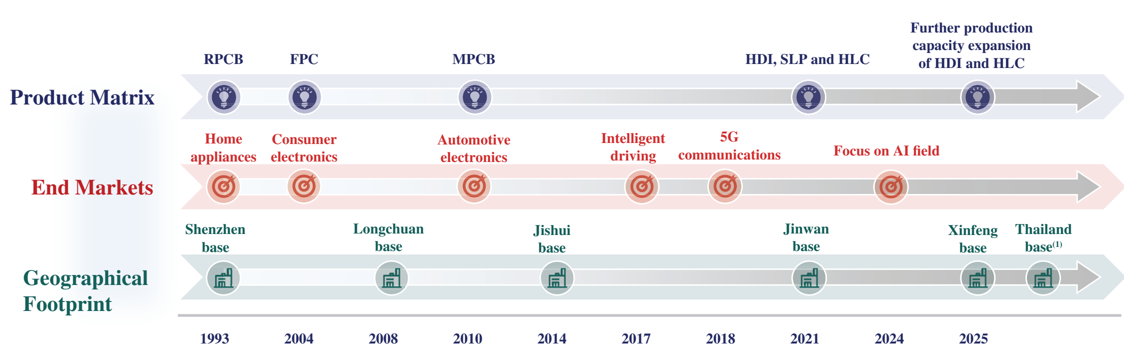
OUR STRENGTHS

We believe that the following competitive strengths contribute to our success and differentiate us from our competitors: (i) strong market reputation, comprehensive product portfolio and continuous technological innovation; (ii) leveraging a precise strategic layout to seize multi-dimensional growth opportunities; (iii) robust R&D capabilities, achieving technological evolution in multiple aspects; (iv) strategic partnerships with global customers who are industry leaders; (v) production capacity closely aligned with market trends, covering global markets; (vi) advanced intelligent manufacturing system ensuring efficient, flexible and high quality delivery; and (vii) visionary management team and established corporate culture.

OUR STRATEGIES

We intend to pursue the following strategies: (i) capture industry opportunities and prioritize investment in AI business; (ii) focus on automotive intelligent driving as a high-potential edge AI application scenario; (iii) increase R&D investment to consolidate our technological leadership; (iv) strategically deploy high-end production capacity to meet rapid demand surges; and (v) promote global footprint and improve international competitiveness.

OUR EVOLUTION



Note:

(1) Under construction

Our development, manufacturing and sales of PCB products date back to our inception in 1990s. Our long journey features expansion in terms of the product matrix, end markets and geographical footprint. See "Business — Our Evolution" for further details.

RESEARCH AND DEVELOPMENT

We have established a comprehensive R&D team comprising talents specializing in material performance study, new product development, and manufacturing process design and optimization. As of April 30, 2026, our R&D team had 2,582 members, representing approximately 11.6% of our total workforce. Our core R&D personnel have an average of more than 18 years of experience in the PCB industry.

We will continue to increase R&D investment in core underlying technologies, progressively expand our research institute and attract and cultivate more R&D talents to form an advanced, technology-driven production system. This will provide a solid foundation for expanding high-end markets, winning orders, and accelerating product introduction. In the coming years, our R&D efforts will focus on several strategic priorities to reinforce our advanced PCB technologies, including material application, manufacturing process, and product architecture.

SALES AND MARKETING

Our sales model is based on direct sales, as supplemented by sales to trading partners to effectively reach and serve a diverse range of customers. Our multiple sales channels provide us with flexibility to meet the needs of various markets while building strong customer relationships and ensuring efficient product sales. In 2023, 2024 and 2025, our selling and marketing expenses amounted to RMB192.1 million, RMB245.6 million and RMB288.2 million, respectively, accounting for 1.8%, 1.9% and 1.9% of our total revenue, respectively, for the same periods. For the four months ended April 30, 2025 and 2026, our selling and marketing expenses amounted to RMB85.7 million and RMB84.9 million, respectively, accounting for 1.9% and 1.6% of our total revenue, respectively, for the same periods.

The following table sets forth the revenue contribution from direct sales and sales to trading partners, in absolute amounts and as percentages of our total revenue, during the Track Record Period:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentages)						*(Unaudited)*			
Direct sales	10,273,117	95.5	12,084,134	95.5	14,745,067	96.3	4,346,290	95.9	5,154,964	96.5
Sales to trading partners	484,185	4.5	575,239	4.5	562,985	3.7	187,323	4.1	186,428	3.5
Total	**10,757,302**	**100.0**	**12,659,373**	**100.0**	**15,308,052**	**100.0**	**4,533,613**	**100.0**	**5,341,392**	**100.0**

OUR CUSTOMERS

We have established long-standing business relationships with leading enterprises across a wide range of industries, including automotive electronics, smart devices, industry control and medical devices, and telecommunication and data infrastructure sectors. These relationships underscore our role as a trusted supplier to certain prominent global companies across a variety of industries.

In each of 2023, 2024 and 2025 and the four months ended April 30, 2026, revenue contributed from our five largest customers amounted to RMB1,943.4 million, RMB2,769.8 million, RMB3,605.6 million and RMB1,394.0 million, respectively, accounting for 18.0%, 22.0%, 23.6% and 26.1% of our total revenue, respectively, for each of the same periods, while the largest customer contributed RMB583.2 million, RMB626.2 million, RMB1,024.5 million and RMB371.7 million, respectively, accounting for 5.4%, 4.9%, 6.7% and 7.0% of our total revenue, respectively, for each of the same periods. We typically offered a credit period ranging from 30 to 120 days to our customers during the Track Record Period.

OUR SUPPLIERS

We have developed and maintained relationships with some leading suppliers for our raw materials and manufacturing equipment. Our key raw materials include copper clad laminates, copper anode balls, copper foils, prepregs, gold salt, dry films and solder masks. These suppliers provide us with high-quality materials for our products and key equipment for our production. Their advanced technologies and reliable production capabilities enable us to maintain consistent product quality and meet the evolving needs of our customers. We work closely with our suppliers to ensure timely availability and delivery of materials and equipment. Our well-established global network of material sources enables us to maintain competitive pricing and offer a reliable supply chain for our customers. In each of 2023, 2024 and 2025 and the four months ended April 30, 2026, our purchases from our five largest suppliers amounted to RMB2,037.2 million, RMB2,680.8 million, RMB3,383.7 million and RMB1,466.8 million, respectively, accounting for 36.4%, 38.5%, 38.2% and 40.5% of our total purchase, respectively, for each of the same periods, while our purchase from the largest supplier amounted to RMB1,013.4 million, RMB1,212.0 million, RMB1,517.5 million and RMB554.8 million, respectively, accounting for 18.1%, 17.5%, 17.2% and 15.3% of our total purchases, respectively, for each of the same periods. During the Track Record Period, our suppliers generally granted us a credit term of 90 to 120 days.

PRODUCTION

Our manufacturing system is primarily built around self-owned production capacity, deeply integrating global supply resources with a localized manufacturing and delivery network, and developing a vertical capability loop that covers R&D, production and quality control. Relying on our self-managed facilities, we ensure high product quality while maintaining highly flexible configuration capabilities, allowing us to quickly customize production processes according to customers' unique needs and support efficient delivery from technical solutions to products. As of April 30, 2026, we had six production bases comprising 12 modernized plants in Guangdong and Jiangxi Provinces in Chinese mainland, and one additional production base under construction in Thailand. The following table sets forth detailed information relating to our established production bases as of April 30, 2026:

Production Bases	Location	GLA (m^2)	Main Products	Year of Establishment
Jinwan (金灣)	Zhuhai, Guangdong, PRC	157,381	• HDI, SLP, HLC	2021
Longchuan (龍川)	Heyuan, Guangdong, PRC	273,592	• RPCB, FPC, MPCB	2008
Jishui (吉水)	Ji'an, Jiangxi, PRC	243,676	• RPCB	2014
Xinfeng (信豐)	Ganzhou, Jiangxi, PRC	219,106	• RPCB	2025
Shenzhen (深圳)	Shenzhen, Guangdong, PRC	92,466	• RPCB, FPC	1993
Fushan[(1)] (富山)	Zhuhai, Guangdong, PRC	85,542	• FPC	2004

Note:

(1) The Fushan production base (Zhuhai City, Guangdong Province) is operated by Zhuhai Kinwong Flexible, in which we hold 51.0% equity interest and Luxshare Precision holds 49.0% equity interest. Luxshare Precision is a company listed on the Shenzhen Stock Exchange (stock code: 002475).

The following table sets forth the total designed production capacity, total output and utilization rate for our main product categories during the Track Record Period:

	For the Year Ended December 31,									For the Four Months Ended April 30,		
	2023			2024			2025			2026		
	Designed Production Capacity[(1)]	Total Output	Utilization Rate[(2)] (%)	Designed Production Capacity[(1)]	Total Output	Utilization Rate[(2)] (%)	Designed Production Capacity[(1)]	Total Output	Utilization Rate[(2)] (%)	Designed Production Capacity[(1)]	Total Output	Utilization Rate[(2)] (%)
	('000 sq.m., except for percentages)											
RPCB	7,416.4	6,811.9	91.8	7,682.7	7,668.9	99.8	9,848.6	9,143.6	92.8	3,408.3	3,049.3	89.5

	For the Year Ended December 31,									For the Four Months Ended April 30,		
	2023			2024			2025			2026		
	Designed Production Capacity(1)	Total Output	Utilization Rate(2) (%)	Designed Production Capacity(1)	Total Output	Utilization Rate(2) (%)	Designed Production Capacity(1)	Total Output	Utilization Rate(2) (%)	Designed Production Capacity(1)	Total Output	Utilization Rate(2) (%)
	(’000 sq.m., except for percentages)											
– Single- and double-sided PCB . . .	1,859.9	1,768.9	95.1	1,859.9	1,856.9	99.8	2,219.2	1,997.9	90.0	741.6	634.1	85.5
– MLPCB .	5,223.5	4,784.5	91.6	5,462.7	5,455.0	99.9	7,125.0	6,742.2	94.6	2,517.2	2,296.1	91.2
– HDI PCB .	333.1	258.5	77.6	360.1	357.1	99.2	504.5	403.5	80.0	149.5	119.1	79.7
FPC	2,038.7	1,809.0	88.7	2,411.1	2,137.8	88.7	2,484.2	2,361.3	95.1	849.4	636.7	75.0
Other PCB(3) .	546.9	470.8	86.1	557.7	483.5	86.7	579.1	526.5	90.9	212.8	142.9	67.2
Total	**10,002.1**	**9,091.6**	**90.9**	**10,651.5**	**10,290.2**	**96.6**	**12,911.9**	**12,031.5**	**93.2**	**4,470.6**	**3,829.0**	**85.6**

Notes:

(1) The designed production capacity is calculated based on the following assumptions: (i) 300 operational days per year (the operational days for the four months ended April 30, 2026 are derived on a pro rata basis), and (ii) 24 operating hours per day. The calculation of production capacity excludes production lines which were suspended for maintenance/technical upgrades.

(2) The utilization rate is calculated by dividing the total output by the designed production capacity for the relevant period.

(3) Include MPCB and rigid-flex PCB.

(4) The fluctuations of our utilization rates mainly reflected our customer orders on hand and sales forecast as well as our corresponding production scheduling. The utilization rates for the four months ended April 30, 2026 were generally lower mainly due to the impact of the Spring Festival holiday during the first quarter.

COMPETITION

According to CIC, the global PCB industry where we operate and compete is relatively fragmented and features intense competition. In 2025, the combined market share of the top 15 global PCB providers reached 48.9% in terms of revenue. Generally, the competitive landscape of the global PCB industry features (i) continuously increased industry concentration as customers tend to establish long-term and stable cooperative relationships with certified large-scale PCB providers; (ii) accelerated domestic substitution as leading PCB providers in Chinese mainland and Taiwan, China have gradually captured the market share from European, American, and Japanese competitors; and (iii) prominent economies of scale and technological synergy advantages as leading PCB providers can achieve technological sharing and optimal resource allocation across product lines, and effectively control costs by integrating supply chain resources and conducting large-scale procurement. To maintain and enhance our competitive edge, we will endeavor to maintain and expand our domestic and international customer base by a competitive product portfolio featuring continuous innovation and iteration, coupled with excellent customer services. Moreover, we will continue to scale up our operation to fully leverage economies of scale to optimize our operation efficiency and control of costs. See “Industry Overview” for details relating to our competitive landscape.

OUR LISTING ON THE MAIN BOARD OF SHANGHAI STOCK EXCHANGE

In January 2017, our A Shares were listed on the Shanghai Stock Exchange (stock code: 603228) (the “**A-Share Listing**”). Pursuant to the A-Share Listing, our Company issued an aggregate of 48,000,000 A Shares, accounting for approximately 11.765% of our Company’s total share capital immediately following the completion of the A-Share Listing. Immediately upon the completion of the A-Share Listing, the share capital of the Company increased to RMB408,000,000. As of the Latest Practicable Date, our Directors confirmed that we had no instances of material non-compliance with the rules of the Shanghai Stock Exchange and other applicable securities laws and regulations of the PRC, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the investors’ attention in relation to our compliance record on the Shanghai Stock Exchange. Our PRC Legal Advisor advised us that during the Track Record Period and up to the Latest Practicable Date, we have not been subject to any material administrative penalties or regulatory measures imposed by PRC securities regulatory authorities and we have complied with the relevant laws and regulations on A share listings applicable to us in all material respects. Based on the independent due diligence conducted by the

Joint Sponsors and our PRC Legal Advisor's view, nothing has come to the Joint Sponsors' attention that would reasonably cause them to disagree with the Directors' confirmation with regard to the compliance records of the Company on the Shanghai Stock Exchange in any material respect.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

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

Summary of Consolidated Statements of Profit or Loss

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

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)									
							(Unaudited)			
Revenue	**10,757,302**	**100.0**	**12,659,373**	**100.0**	**15,308,052**	**100.0**	**4,533,613**	**100.0**	**5,341,392**	**100.0**
Cost of sales	(8,264,978)	(76.8)	(9,781,688)	(77.3)	(12,003,163)	(78.4)	(3,596,235)	(79.3)	(4,340,192)	(81.3)
Gross profit	**2,492,324**	**23.2**	**2,877,685**	**22.7**	**3,304,889**	**21.6**	**937,378**	**20.7**	**1,001,200**	**18.7**
Selling and marketing expenses	(192,124)	(1.8)	(245,642)	(1.9)	(288,164)	(1.9)	(85,697)	(1.9)	(84,936)	(1.6)
Administrative expenses	(563,044)	(5.2)	(630,669)	(5.0)	(715,267)	(4.7)	(218,191)	(4.8)	(259,508)	(4.9)
Research and development expenses	(600,696)	(5.6)	(757,587)	(6.0)	(929,932)	(6.1)	(272,312)	(6.0)	(280,739)	(5.3)
Other income and gains	202,128	1.9	317,888	2.5	343,749	2.2	173,089	3.8	111,739	2.2
Other expenses	(135,833)	(1.3)	(109,138)	(0.9)	(153,336)	(1.0)	(20,073)	(0.4)	(111,517)	(2.1)
Finance costs	(147,086)	(1.4)	(114,084)	(0.9)	(77,507)	(0.5)	(26,535)	(0.6)	(32,083)	(0.6)
Share of losses of an associate	(8,139)	(0.1)	(18,014)	(0.1)	(20,049)	(0.1)	(6,099)	(0.1)	(6,260)	(0.1)
Profit before tax	**1,047,530**	**9.7**	**1,320,439**	**10.4**	**1,464,383**	**9.6**	**481,560**	**10.7**	**337,896**	**6.3**
Income tax expense	(136,501)	(1.3)	(160,231)	(1.3)	(220,365)	(1.4)	(57,275)	(1.3)	(20,977)	(0.4)
Profit for the year	**911,029**	**8.5**	**1,160,208**	**9.2**	**1,244,018**	**8.1**	**424,285**	**9.4**	**316,919**	**5.9**

Revenue

During the Track Record Period, our revenue was primarily derived from the sales of PCB. We also generate a small portion of our revenue from the sales of our production residues which contain copper in Chinese mainland. Our revenue was RMB10,757.3 million, RMB12,659.4 million and RMB15,308.1 million in 2023, 2024 and 2025, respectively, and RMB4,533.6 million and RMB5,341.4 million for the four months ended April 30, 2025 and 2026, respectively.

Breakdown by End Markets

Our products are designed for applications across a wide spectrum of end markets, including automotive electronics, smart devices, industrial control and medical devices, and telecommunication and data infrastructure sectors. Revenue in most of our end markets increased during the Track Record Period.

The following table presents a breakdown of our revenue by end markets of our products, both in absolute amounts and as percentage of our total revenue, for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentages)						(Unaudited)			
Sales of PCB products	**10,240,933**	**95.2**	**11,984,837**	**94.7**	**14,372,625**	**93.9**	**4,284,750**	**94.5**	**4,920,632**	**92.1**
Automotive electronics	4,374,962	40.7	5,814,180	45.9	6,952,940	45.4	2,081,155	45.9	2,357,219	44.1
Smart devices	3,258,094	30.3	3,672,758	29.0	3,705,202	24.2	1,142,521	25.2	1,051,002	19.7
Industrial control and medical devices	1,835,758	17.0	1,565,880	12.4	2,123,800	13.9	672,846	14.8	679,341	12.7
Telecommunication and data infrastructure	772,119	7.2	932,019	7.4	1,590,683	10.4	388,228	8.6	833,070	15.6
Others[(1)]	**516,369**	**4.8**	**674,536**	**5.3**	**935,427**	**6.1**	**248,863**	**5.5**	**420,760**	**7.9**
Total	**10,757,302**	**100.0**	**12,659,373**	**100.0**	**15,308,052**	**100.0**	**4,533,613**	**100.0**	**5,341,392**	**100.0**

Note:

(1) Mainly represent the sales of our production residues which contain copper in Chinese mainland.

The table below sets forth a breakdown of the average selling price of our PCB products by end markets for the periods indicated:

	Year Ended December 31,			Four Months Ended April 30,
	2023	2024	2025	2026
	(RMB per sq.m.)			
Automotive electronics	1,028	1,043	1,023	1,029
Smart devices	1,210	1,348	1,532	1,522
Industrial control and medical devices	958	927	981	1,005
Telecommunication and data infrastructure	1,152	1,203	1,569	2,309
Total	**1,074**	**1,114**	**1,160**	**1,224**

The average selling price of our products for automotive electronics remained relatively stable during the Track Record Period. The competitive landscape of the global automotive electronics PCB industry is relatively fragmented, with a large number of market participants competing for customers and orders, resulting in intense competition and increasing pricing pressure on PCB products. Such pricing pressure, together with rising prices of key raw materials, has placed pressure on the profitability and gross profit margins of industry participants. The Directors are of the view that (i) such pricing pressure and the rise in key raw materials had materially affected the profitability of our products for automotive electronics during the Track Record Period, the gross profit margin of which decreased from 31.1% in 2023 to 13.8% in the four months ended April 30, 2026; (ii) the gross profit margin of our products for automotive electronics is expected to improve over time as we continue to optimize our product portfolio and enhance our product competitiveness, while also managing our raw material costs through various measures, including multi-sourcing, entering into longer-term supply arrangements, inventory planning, securing higher-margin orders and gradually passing on part of the rising costs to customers; and (iii) in light of our mitigating measures as detailed above, the impact of the pricing pressure and the rise in key raw materials on our profitability and operating results is expected to be limited in the future. During the Track Record Period and up to the Latest Practicable Date, save as the material impact on the profitability of products for automotive electronics as disclosed above, the pricing pressure on the PCB products for automotive electronics had no material impact on our overall business and profitability. The average selling price of our products for smart devices increased from RMB1,210 per sq.m. in 2023 to RMB1,348 per sq.m. in 2024 and RMB1,532 per sq.m. in 2025 mainly due to the customers' product upgrade leading to a higher demand for high-priced PCB products mainly including multi-layer FPC products. The average selling price of our products for industrial control and medical devices were generally lower compared to that of our products for the other end markets during the Track Record Period mainly due to the differences in the product design, raw materials and manufacturing technology, which led to different manufacturing costs. The average selling price of our products for industrial control and medical devices decreased from RMB958 per sq.m. in 2023 to RMB927 per sq.m. in 2024 mainly due to a decrease in the average selling price of MLPCB products as the change in our customers' product mix decreased the demand for MLPCB products with relatively higher pricing, and then increased to RMB981 per sq.m. in 2025 mainly due to an increase in the sales of HDI products with relatively higher selling prices resulting from our customers' product upgrade, which then further increased to RMB1,005 per sq.m. in the four months ended April 30, 2026, mainly due to an increase in the average selling price of MLPCB products as our customers' product upgrade increased the demand for MLPCB products with relatively higher pricing. The average selling price of our products for telecommunication and data infrastructure increased from RMB1,152 per sq.m. in 2023 to RMB1,203 per sq.m. in 2024, RMB1,569 per sq.m. in 2025 and RMB2,309 per sq.m. in the four months ended April 30, 2026, mainly due to the increased revenue contribution from AI-related PCB products, which also led to the average selling price of our products for telecommunication and data infrastructure being relatively higher among the average selling prices of our products for different end markets during the Track Record Period, particularly in 2025 and the four months ended April 30, 2026. The AI-related PCB products comprise mainly MLPCB, HDI and FPC products and are part of our products for telecommunication and data infrastructure, whose revenue contribution as a percentage of our total revenue is still low while their gross profit margin and average selling price are relatively higher than those of other telecommunication and data infrastructure PCB products. Our revenue from AI-related PCB amounted to RMB0.2 million, RMB14.5 million, RMB198.2 million, RMB42.2 million and RMB267.8 million, representing 0.002%, 0.1%, 1.3%, 0.9% and 5.0% of our total revenue in 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, respectively.

Breakdown by Product Types

We develop, manufacture and sell a comprehensive range of PCB to meet diverse customer needs, comprising: (i) RPCB including single- and double-sided PCB, MLPCB, and HDI PCB, (ii) FPC, and (iii) other PCB, including MPCB and rigid-flex PCB. During the Track Record Period, RPCB accounted for the majority of our revenue.

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

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)						*(Unaudited)*			
Sales of PCB products	**10,240,933**	**95.2**	**11,984,837**	**94.7**	**14,372,625**	**93.9**	**4,284,750**	**94.5**	**4,920,632**	**92.1**
RPCB	6,865,983	63.8	7,930,865	62.6	9,645,202	63.0	2,907,093	64.1	3,568,222	66.8
Single- and double-sided PCB	1,228,030	11.4	1,271,205	10.0	1,297,494	8.5	408,481	9.0	435,365	8.2
MLPCB	5,131,599	47.7	5,810,971	45.9	7,110,033	46.4	2,147,004	47.3	2,759,691	51.6
HDI PCB	506,354	4.7	848,689	6.7	1,237,675	8.1	351,608	7.8	373,166	7.0
FPC	2,752,799	25.6	3,447,173	27.2	4,068,978	26.6	1,195,270	26.4	1,160,951	21.7
Other PCB(1)	622,151	5.8	606,799	4.8	658,445	4.3	182,387	4.0	191,459	3.6
Others(2)	**516,369**	**4.8**	**674,536**	**5.3**	**935,427**	**6.1**	**248,863**	**5.5**	**420,760**	**7.9**
Total	**10,757,302**	**100.0**	**12,659,373**	**100.0**	**15,308,052**	**100.0**	**4,533,613**	**100.0**	**5,341,392**	**100.0**

Notes:

(1) Include MPCB and rigid-flex PCB.

(2) Mainly represent the sales of our production residues which contain copper in Chinese mainland.

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

	Year ended December 31,						Four months ended April 30,	
	2023		2024		2025		2026	
	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.)*
RPCB	**7,207,648**	**953**	**8,198,876**	**967**	**9,533,250**	**1,012**	**3,285,683**	**1,086**

	Year ended December 31,						Four months ended April 30,	
	2023		2024		2025		2026	
	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.)*
– Single- and double-sided PCB	1,878,293	654	1,984,623	641	2,074,779	625	683,904	637
– MLPCB	5,068,280	1,012	5,851,790	993	7,034,296	1,011	2,482,314	1,112
– HDI PCB(1)	261,075	1,939	362,463	2,341	424,175	2,918	119,465	3,124
FPC(2)	**1,855,671**	**1,483**	**2,088,135**	**1,651**	**2,329,689**	**1,747**	**593,112**	**1,957**
Other PCB(3)	**472,403**	**1,317**	**474,341**	**1,279**	**528,518**	**1,246**	**140,238**	**1,365**
Total	**9,535,722**	**1,074**	**10,761,351**	**1,114**	**12,391,457**	**1,160**	**4,019,033**	**1,224**

Notes:

(1) The average selling price of our HDI PCB increased from RMB1,939 per sq.m. in 2023 to RMB2,341 per sq.m. in 2024, primarily due to the optimization of our HDI PCB product mix as the sales of high-priced products in the automotive electronics and telecommunication and data infrastructure sectors increased. The average selling price of our HDI PCB further increased to RMB2,918 per sq.m. in 2025, primarily because we increased sales of high-priced products to new customers in the telecommunication and data infrastructure as well as industrial control and medical devices sectors. The average selling price of our HDI PCB further increased from RMB2,918 per sq.m. in 2025 to RMB3,124 per sq.m. in the four months ended April 30, 2026 as we further optimized the product mix by introducing more high-priced products.

(2) The average selling price of our FPC increased from RMB1,483 per sq.m. in 2023 to RMB1,651 per sq.m. in 2024, primarily due to the recovery in the consumer electronics market leading to the higher demand for our FPC products. The average selling price of our FPC increased from RMB1,747 per sq.m. in 2025 to RMB1,957 per sq.m. in the four months ended April 30, 2026, primarily due to the optimized product mix with more high-priced products.

(3) Include MPCB and rigid-flex PCB.

Production residues mainly include unprocessed metal-containing waste and metal-containing waste after copper extraction processing. The sales volume of unprocessed metal-containing waste was 79,200 tons, 74,994 tons, 75,157 tons and 29,696 tons in 2023, 2024, 2025 and the four months ended April 30, 2026, respectively, and the average selling price was RMB5,421 per ton, RMB5,790 per ton, RMB6,211 per ton and RMB7,422 per ton, respectively. The sales volume of metal-containing waste after copper extraction processing was 3,368 tons, 11,385 tons, 22,688 tons and 7,555 tons in 2023, 2024, 2025 and the four months ended April 30, 2026, respectively, and the average selling price was RMB16,653 per ton, RMB17,602 per ton, RMB18,616 per ton and RMB23,272 per ton, respectively.

Breakdown by Geographical Locations

During the Track Record Period, we sold products in the Chinese mainland as well as to overseas markets including Europe, Asia and Americas. During the Track Record Period, we generated the majority of our revenue in the Chinese mainland.

The following table sets out a breakdown of our revenue by geographical locations, in absolute amounts and as percentage of our total revenue, for the periods indicated.

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentages)						*(Unaudited)*			
Sales of PCB products	**10,240,933**	**95.2**	**11,984,837**	**94.7**	**14,372,625**	**93.9**	**4,284,750**	**94.5**	**4,920,632**	**92.1**
Chinese mainland(1)	6,211,373	57.7	7,060,758	55.8	8,678,759	56.7	2,585,951	57.0	2,761,630	51.7
Overseas	4,029,560	37.5	4,924,079	38.9	5,693,866	37.2	1,698,799	37.5	2,159,002	40.4
Europe(2)	1,419,324	13.2	1,787,339	14.1	2,064,636	13.5	631,288	13.9	780,378	14.6
Asia (excluding the Chinese mainland)(3)	1,367,210	12.7	1,488,177	11.8	1,870,155	12.2	495,379	11.0	797,069	14.9
Bonded warehouse zones(4)	575,188	5.3	874,442	6.9	883,157	5.8	264,421	5.8	277,025	5.2

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentages)						*(Unaudited)*			
Americas[5]	622,627	5.8	732,827	5.8	834,060	5.4	294,283	6.5	292,278	5.5
Other regions[6]	45,211	0.5	41,294	0.3	41,858	0.3	13,428	0.3	12,252	0.2
Others[7]	**516,369**	**4.8**	**674,536**	**5.3**	**935,427**	**6.1**	**248,863**	**5.5**	**420,760**	**7.9**
Total	**10,757,302**	**100.0**	**12,659,373**	**100.0**	**15,308,052**	**100.0**	**4,533,613**	**100.0**	**5,341,392**	**100.0**

Notes:

(1) Excluding sales to bonded warehouse zones.

(2) mainly including Germany, Romania, Hungary, Portugal, Spain, Macedonia, Austria, Slovakia, Lithuania and France.

(3) mainly including China-Hong Kong, Vietnam, Malaysia, Singapore, India, Thailand, Japan, Philippines, China-Taiwan, South Korea, Indonesia, Israel and Cambodia, and excluding the Chinese mainland.

(4) Sales to bonded warehouse zones located in the Chinese mainland are classified as overseas sales because these transactions (i) require customs clearance procedures similar to those for cross-border exports and (ii) are exempt from PRC VAT invoicing, thereby aligning them operationally with overseas sales, notwithstanding that the relevant customers may be based within the Chinese mainland. We deliver and sell our products to bonded warehouse zones in accordance with the instructions and requirements of our customers. Certain domestic customers adopt the bonded warehouse zone arrangement primarily because it enables them to benefit from exemptions of VAT, thereby reducing their upfront cost burden and improving working capital efficiency.

(5) mainly including United States and Mexico.

(6) mainly including Morocco and Tunisia.

(7) Mainly represent the sales of our production residues which contain copper in Chinese mainland.

Cost of Sales

In 2023, 2024 and 2025, our cost of sales amounted to RMB8,265.0 million, RMB9,781.7 million and RMB12,003.2 million, respectively, accounting for 76.8%, 77.3% and 78.4%, respectively, of our revenue in the corresponding periods. For the four months ended April 30, 2025 and 2026, our cost of sales amounted to RMB3,596.2 million and RMB4,340.2 million, respectively, accounting for 79.3% and 81.3%, respectively, of our revenue in the corresponding periods. The following table sets forth our cost of sales breakdown by nature in absolute amounts and as percentage of our total cost of sales for the periods indicated.

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)						*(Unaudited)*			
Cost of raw materials	4,995,257	60.4	5,919,158	60.5	7,359,037	61.4	2,171,688	60.4	2,729,291	62.9
Cost of production	1,972,254	23.9	2,337,336	23.9	2,724,292	22.7	827,817	23.0	923,476	21.3
Cost of labor	1,263,109	15.3	1,477,738	15.1	1,853,819	15.4	576,759	16.0	663,954	15.3
Others	34,358	0.4	47,456	0.5	66,015	0.5	19,971	0.6	23,471	0.5
Total	**8,264,978**	**100.0**	**9,781,688**	**100.0**	**12,003,163**	**100.0**	**3,596,235**	**100.0**	**4,340,192**	**100.0**

Gross Profit and Gross Profit Margin

Our gross profit represents our revenue less our cost of sales, and our gross margin represents gross profit divided by our revenue, expressed as a percentage. In 2023, 2024 and 2025, we had gross profit of RMB2,492.3 million, RMB2,877.7 million and RMB3,304.9 million, respectively. For the four months ended April 30, 2025 and 2026, we had gross profit of RMB937.4 million and RMB1,001.2 million, respectively. In 2023, 2024 and 2025, our gross profit margin was 23.2%, 22.7% and 21.6%, respectively. For the four months ended April 30, 2025 and 2026, our gross profit margin was 20.7% and 18.7%, respectively.

The following table sets forth our gross profit and gross profit margin breakdown by end-markets for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	(RMB in thousands, except for percentage)						*(Unaudited)*			
Sales of PCB products	**2,010,313**	**19.6%**	**2,250,605**	**18.8%**	**2,435,477**	**16.9%**	**708,486**	**16.5%**	**603,911**	**12.3%**
Automotive electronics	1,359,707	31.1%	1,606,690	27.6%	1,536,464	22.1%	478,890	23.0%	324,819	13.8%
Smart devices	296,791	9.1%	322,112	8.8%	433,628	11.7%	75,294	6.6%	99,821	9.5%
Industrial control and medical devices	318,004	17.3%	239,889	15.3%	253,918	12.0%	91,338	13.6%	53,855	7.9%
Telecommunication and data infrastructure	35,812	4.6%	81,913	8.8%	211,465	13.3%	59,069	15.2%	125,415	15.1%
Others[(1)]	**482,011**	**93.3%**	**627,080**	**93.0%**	**869,412**	**92.9%**	**228,892**	**92.0%**	**397,289**	**94.4%**
Total	**2,492,324**	**23.2%**	**2,877,685**	**22.7%**	**3,304,889**	**21.6%**	**937,378**	**20.7%**	**1,001,200**	**18.7%**

Note:

(1) Mainly represent the sales of our production residues which contain copper in Chinese mainland.

The following table sets forth our gross profit and gross profit margin breakdown by product types for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	(RMB in thousands, except for percentage)						*(Unaudited)*			
Sales of PCB products	**2,010,313**	**19.6%**	**2,250,605**	**18.8%**	**2,435,477**	**16.9%**	**708,486**	**16.5%**	**603,911**	**12.3%**
RPCB	1,542,286	22.5%	1,729,528	21.8%	1,706,899	17.7%	546,786	18.8%	383,591	10.8%
Single- and double-sided PCB	372,887	30.4%	362,501	28.5%	301,440	23.2%	90,778	22.2%	69,823	16.0%
MLPCB	1,162,022	22.6%	1,264,829	21.8%	1,148,380	16.2%	386,089	18.0%	268,372	9.7%
HDI PCB	7,377	1.5%	102,198	12.0%	257,079	20.8%	69,919	19.9%	45,396	12.2%
FPC	297,872	10.8%	358,579	10.4%	593,227	14.6%	120,645	10.1%	186,108	16.0%
Other PCB[(1)]	170,155	27.3%	162,498	26.8%	135,351	20.6%	41,055	22.5%	34,212	17.9%
Others[(2)]	**482,011**	**93.3%**	**627,080**	**93.0%**	**869,412**	**92.9%**	**228,892**	**92.0%**	**397,289**	**94.4%**
Total	**2,492,324**	**23.2%**	**2,877,685**	**22.7%**	**3,304,889**	**21.6%**	**937,378**	**20.7%**	**1,001,200**	**18.7%**

Notes:

(1) Include MPCB and rigid-flex PCB.

(2) Mainly represent the sales of our production residues which contain copper in Chinese mainland.

The following table sets forth our gross profit and gross profit margin breakdown by sales channel for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	(RMB in thousands, except for percentage)						*(Unaudited)*			
Direct sales	2,373,974	23.1%	2,750,165	22.8%	3,193,628	21.7%	900,340	20.7%	979,994	19.0%
Sales to trading partners	118,350	24.4%	127,520	22.2%	111,261	19.8%	37,038	19.8%	21,206	11.4%
Total	**2,492,324**	**23.2%**	**2,877,685**	**22.7%**	**3,304,889**	**21.6%**	**937,378**	**20.7%**	**1,001,200**	**18.7%**

The following table sets forth our gross profit and gross profit margin breakdown by geographical locations for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	(RMB in thousands, except for percentage)						*(Unaudited)*			
Sales of PCB products	**2,010,313**	**19.6%**	**2,250,605**	**18.8%**	**2,435,477**	**16.9%**	**708,486**	**16.5%**	**603,911**	**12.3%**
Chinese mainland	595,701	9.6%	695,736	9.9%	840,616	9.7%	228,869	8.9%	220,332	8.0%
Overseas	1,414,612	35.1%	1,554,869	31.6%	1,594,861	28.0%	479,617	28.2%	383,579	17.8%
Others[(1)]	**482,011**	**93.3%**	**627,080**	**93.0%**	**869,412**	**92.9%**	**228,892**	**92.0%**	**397,289**	**94.4%**
Total	**2,492,324**	**23.2%**	**2,877,685**	**22.7%**	**3,304,889**	**21.6%**	**937,378**	**20.7%**	**1,001,200**	**18.7%**

Note:

(1) Mainly represent the sales of our production residues, which contain copper in Chinese mainland.

Profits for the Year

During the Track Record Period, our profit for the year/period amounted to RMB911.0 million, RMB1,160.2 million and RMB1,244.0 million in 2023, 2024 and 2025, respectively, and RMB424.3 million and RMB316.9 million for the four months ended April 30, 2025 and 2026, respectively.

Summary of Consolidated Statements of Financial Position

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

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Total current assets	8,726,802	9,452,464	11,565,222	12,944,425
Total non-current assets	8,503,930	9,791,313	12,161,687	13,529,364
Total assets	**17,230,732**	**19,243,777**	**23,726,909**	**26,473,789**
Total current liabilities	4,832,078	5,964,225	8,055,096	8,785,779
Total non-current liabilities	3,428,434	1,781,846	2,402,021	4,610,465

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Total liabilities	**8,260,512**	**7,746,071**	**10,457,117**	**13,396,244**
Net assets	**8,970,220**	**11,497,706**	**13,269,792**	**13,077,545**
Net current assets	**3,894,724**	**3,488,239**	**3,510,126**	**4,158,646**
Equity				
Equity attributable to shareholders of the Company				
Share capital	841,874	932,532	984,812	984,857
Treasury shares	–	(112,037)	(85,089)	(85,089)
Equity component of convertible bonds	488,025	177,667	–	–
Reserves	7,447,470	10,315,511	12,172,988	11,968,448
Total	**8,777,369**	**11,313,673**	**13,072,711**	**12,868,216**
Non-controlling interests	**192,851**	**184,033**	**197,081**	**209,329**
Total equity	**8,970,220**	**11,497,706**	**13,269,792**	**13,077,545**

Our net assets, being the total equity, increased from RMB8,970.2 million as of December 31, 2023 to RMB11,497.7 million as of December 31, 2024, primarily due to (i) the conversion of convertible bonds of RMB1,699.2 million, and (ii) the total comprehensive income for the year of RMB1,162.1 million in 2024, partially offset by the dividend declared of RMB420.9 million.

Our net assets increased to RMB13,269.8 million as of December 31, 2025, primarily due to (i) the conversion of convertible bonds of RMB1,055.7 million, (ii) the total comprehensive income for the year of RMB1,251.4 million for the year ended December 31, 2025, and (iii) the share-based payments of RMB134.0 million, partially offset by the dividend declared of RMB747.4 million.

Our net assets decreased to RMB13,077.5 million as of April 30, 2026, primarily due to the dividend declared of RMB541.6 million, partially offset by the total comprehensive income for the period of RMB286.0 million.

Summary of Consolidated Statements of Cash Flow

The following table sets forth a summary of our consolidated cash flow statements for the periods indicated:

	For the year ended December 31,			For the four months ended April 30,	
	2023	2024	2025	2025	2026
	(RMB in thousands)				
				(Unaudited)	
Net cash flows from operating activities	2,115,491	2,289,629	1,931,225	603,876	493,389
Net cash flows used in investing activities	(1,873,537)	(2,003,385)	(2,687,744)	(836,632)	(1,679,690)
Net cash flows from/(used in) financing activities	436,268	(464,653)	862,048	626,624	2,200,230
Cash and cash equivalents at beginning of year	**1,275,555**	**1,968,398**	**1,838,432**	**1,838,432**	**1,941,199**
Effect of foreign exchange rate changes, net	14,621	48,443	(2,762)	21,258	(44,206)
Cash and cash equivalents at end of year	**1,968,398**	**1,838,432**	**1,941,199**	**2,253,558**	**2,910,922**

KEY FINANCIAL RATIOS

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

	As of/For the year ended December 31,			As of/For the four months ended April 30,
	2023	2024	2025	2026
Revenue growth rate[1]	2.3%	17.7%	20.9%	17.8%
Gross profit margin[2]	23.2%	22.7%	21.6%	18.7%
Net profit margin[3]	8.5%	9.2%	8.1%	5.9%
Return on equity[4]	11.1%	11.6%	10.1%	7.0%
Liability to asset ratio[5]	47.9%	40.3%	44.1%	50.6%
Gearing ratio[6]	38.1%	14.8%	18.7%	36.9%

Notes:

(1) Calculated by dividing the difference between the current year's revenue and the previous year's revenue by the previous year's revenue multiplied by 100%. The revenue for the year ended December 31, 2022 is reported in accordance with the PRC Generally Accepted Accounting Principles.

(2) Calculated by dividing gross profit for the year by revenue for the corresponding year multiplied by 100%.

(3) Calculated by dividing profit for the year by revenue for the corresponding year multiplied by 100%.

(4) Calculated by dividing profit attributable to the shareholders of the Company by average of beginning and ending balance of equity attributable to shareholders of the Company for the year multiplied by 100%. As for the return on equity as of/for the four months ended April 30, 2026, calculated by dividing profit attributable to the shareholders of the Company by the average of the beginning and ending balance of equity attributable to shareholders of the Company for the period, multiplied by 100%, and then annualized by multiplying by 365 and dividing by 120 (being the number of days in the period).

(5) Calculated by dividing total liabilities by total assets as of the end of the year multiplied by 100%.

(6) Calculated by dividing total interest-bearing bank and other borrowings, convertible bonds and lease liabilities divided by total equity as of the end of the period.

RISK FACTORS

Our operations and the Global Offering involve certain risks and uncertainties, including (i) risks related to our business and our industry, (ii) risks relating to doing business in the jurisdictions where we operate, and (iii) risks relating to the Global Offering, which are set out in the section headed "Risk Factors" in this prospectus. You should read that section in its entirety carefully before you decide to invest in the Offer Shares. Some of the major risks we face include, but are not limited to:

- Our growth and profitability depend on general economic conditions, which in turn may influence the development of the industries that our customers are in;
- Our growth depends on the growth and development of the markets served by our customers. If the end markets do not develop as we expect, our business prospects may be harmed;
- Our future growth depends on maintaining and building relationships with customers and developing products that meet their evolving needs;
- Fluctuations in copper prices and availability could materially and adversely affect our business, results of operations and financial condition;
- If we fail to anticipate and respond to evolving market conditions and technological change, or to develop and introduce new or enhanced products on a timely basis, our ability to attract and retain customers could be impaired and our business, financial condition and results of operations could be adversely affected;
- We are exposed to risks associated with our global presence and will continue to be subject to such risks when we expand our business overseas;

- Our global operations expose us to numerous and different legal and regulatory requirements, and violation of these regulations could harm our business;
- We face competition and expect competition to increase in the future. If we fail to compete effectively, our revenue growth and results of operations will be materially and adversely affected;
- If our production capacity is not adequate, our production capability to satisfy customer demand could be hindered, and our production capacity expansion efforts may not yield the benefits that we expect;
- If we are unable to maintain our high production capacity utilization rates and production yields, our profitability will be adversely affected; and
- If we experience operational disruption or machinery breakdown in our production facilities, our production volume may be adversely affected.

OUR CONTROLLING SHAREHOLDERS GROUP

On January 6, 2020, Jinghong Yongtai, Wise Able Investment, Mr. Liu Shaobai, Ms. Huang Xiaofen and Ms. Cheuk Kwan entered into an acting in concert agreement ("**Acting-in-concert Agreement**") pursuant to which, Mr. Liu Shaobai, Ms. Huang Xiaofen and Ms. Cheuk Kwan and their respectively controlled entities Jinghong Yongtai and Wise Able Investment shall act in concert to exercise their shareholder rights. On August 14, 2023, Mr. Liu Yu undertook to join the Acting-in-concert Agreement. Accordingly, Jinghong Yongtai, Wise Able Investment, Yizhao Investment (an entity in which Ms. Huang Xiaofen is the managing partner), Mr. Liu Shaobai, Ms. Huang Xiaofen, Ms. Cheuk Kwan and Mr. Liu Yu are the parties acting in concert. Therefore, Jinghong Yongtai, Wise Able Investment, Yizhao Investment, Mr. Liu Shaobai, Ms. Huang Xiaofen, Ms. Cheuk Kwan and Mr. Liu Yu were in aggregate entitled to exercise the voting rights attached to 560,846,175 Shares and approximately 56.01% of our Shares in issue and constituted our Controlling Shareholders Group as of the Latest Practicable Date. The Controlling Shareholders Group will be entitled to exercise the voting rights attached to approximately 52.21% of our total issued share capital immediately following the completion of the Global Offering.

GLOBAL OFFERING STATISTICS

The statistics in the following table are based on the assumptions that (i) the Global Offering has been completed and 72,944,300 H Shares are newly issued in the Global Offering, and (ii) 1,074,268,341 Shares are in issue and outstanding following the completion of the Global Offering.

	Based on the Offer Price of HK$69.88 per H Share
Market capitalization of our Shares[(1)]	HK$131,281 million
Market capitalization of our H Shares[(2)]	HK$5,097 million
Unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company per Share[(3)]	HK$18.80

Notes:

(1) The calculation of market capitalization of our Shares immediately after completion of the Global Offering is based on the assumption that 1,001,324,041 A Shares (including restricted shares) are in issue with an average closing price for the five trading days immediately prior to the Latest Practicable Date of RMB108.86 (equivalent to approximately HK$126.02) per A Share and that 72,944,300 H Shares are expected to be in issue immediately after completion of the Global Offering, representing in aggregate 1,074,268,341 Shares expected to be in issue immediately following the completion of the Global Offering. For details, see "Share Capital — Immediately After the Completion of the Global Offering" in this prospectus.

(2) The calculation of market capitalization of our H Shares is based on 72,944,300 H Shares expected to be in issue immediately upon completion of the Global Offering.

(3) The unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company per Share as of April 30, 2026 is calculated after making the adjustments referred to in "Appendix II — Unaudited Pro Forma Financial Information" to this prospectus. Assuming that the 19,282,568 restricted shares as of the Latest Practicable Date had been vested, the unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company per Share as of April 30, 2026, which is divided by 1,074,268,341 Shares, would then be adjusted to RMB15.95 (HK$18.46). For more details, please refer to the section headed "Appendix II — Unaudited Pro Forma Financial Information" to this prospectus.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK$4,960.6 million, after deducting underwriting commissions, fees and estimated expenses payable by us in connection with the Global Offering, assuming an Offer Price of HK$69.88 per Offer Share, being the maximum Offer Price stated in this prospectus.

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

- approximately 60%, or approximately HK$2,976.4 million, of the net proceeds will be used to expand and upgrade our production capacity for high value-added products to meet AI-driven demand and enhance our manufacturing capabilities;
- approximately 15%, or approximately HK$744.1 million, of the net proceeds will be used to strengthen our research and development and technology reserves in next-generation electronic information technologies;
- approximately 15%, or approximately HK$744.1 million, of the net proceeds will be used to repay a portion of our existing interest-bearing bank borrowings. The bank loans to be repaid have maturity dates ranging from 2027 to 2034, with annual interest rates ranging from 2.4% to 4.5%; and
- approximately 10%, or approximately HK$496.1 million, of the net proceeds will be used for working capital and other general corporate purposes, including raw material procurement, employee compensation, logistics and other day-to-day operating needs to support our ongoing business expansion and globalization.

See "Future Plans and Use of Proceeds" for more details.

DIVIDENDS

Dividends 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 dividends in respect of the previous year of RMB423.6 million, RMB420.9 million and RMB740.4 million in 2023, 2024 and 2025, respectively. Our dividend payout ratio was 45.0%, 64.0% and 44.0% in 2023, 2024 and 2025, respectively.

We have incurred, and expect to continue to incur, significant capital expenditures to support our business growth and expansion strategy. We funded, and will continue to fund, our capital expenditures mainly with cash generated from business operations and financing activities. We currently do not expect such capital expenditures to materially affect our ability to declare and pay dividends at levels generally consistent with our historical dividend payout ratios, subject to our future results of operations, financial condition, cash requirements, availability of distributable profits and reserves. We currently do not have any fixed dividend payout ratio, and there can be no assurance that dividends will be declared or paid in the future.

Any declaration and payment, as well as the amount of dividends, will be subject to our Articles of Association and the relevant PRC laws. We currently do not have any fixed dividend payout ratio. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. As confirmed by our PRC Legal Advisor, according to relevant PRC laws, any future net profit that we make will have to be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. We will, therefore, only be able to declare dividends after: (i) all our historically accumulated losses have been made up for; and (ii) we have allocated sufficient net profit to our statutory common reserve fund as described above.

LISTING EXPENSES

Listing expenses represent professional fees, underwriting commission and other fees incurred in connection with the Global Offering. Listing expenses to be borne by us are estimated to be approximately RMB118.1 million (HK$136.7 million), comprising: (i) underwriting fees of RMB70.3 million (HK$81.4 million); and (ii) non-underwriting related expenses of RMB47.8 million (HK$55.3 million), which are further categorized into: (a) fees and expenses of legal advisors and accountants of RMB27.5 million (HK$31.8 million); and (b) other fees and expenses of RMB20.3 million (HK$23.5 million), based on the Offer Price of HK$69.88 per Offer Share (being the maximum Offer Price), approximately RMB11.0 million (HK$12.7 million) of which is expected to be charged to our consolidated statements of profit or loss, and approximately RMB107.1 million (HK$124.0 million) of which is expected to be deducted from equity upon the completion of the Global Offering. The listing expenses are expected to represent approximately 2.68% of the gross proceeds of the Global Offering, assuming an Offer Price of HK$69.88 per Offer Share (being the maximum Offer Price). The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that as of the date of this prospectus, there has been no material adverse change in our financial, operational or trading position, indebtedness, contingent liabilities or prospects since April 30, 2026, being the end date of our latest audited financial statements, and there has been no event since April 30, 2026 that would materially affect the information shown in the Accountants' Report set out in Appendix I to this prospectus.

Unaudited Financial Information for the Six Months Ended June 30, 2026

We are a public company listed on the Shanghai Stock Exchange and we have disclosed unaudited key financial information prepared under PRC GAAP as at and for the six months ended June 30, 2026 pursuant to the relevant PRC securities laws and regulations. We have included our unaudited interim condensed consolidated financial information prepared in accordance with IAS 34, Interim Financial Reporting as at and for the six months ended June 30, 2026 in Appendix IA to this prospectus. Our unaudited interim condensed consolidated financial information as of and for the six months ended June 30, 2026 has been reviewed by our reporting accountant in accordance with Hong Kong Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. The members of the Board, including those of the Audit Committee, have received and reviewed the unaudited interim condensed consolidated financial information of the Group for the six months ended June 30, 2026, as set out in Appendix IA to this prospectus. We have complied with the code provisions in Part 2 of the Corporate Governance Code, except for code provision C.2.1 of part 2 of the Corporate Governance Code. See "Directors and Senior Management — Management and Corporate Governance — Corporate Governance Code" for further details. We are not in breach of our Articles of Association or laws and regulations of the PRC or other regulatory requirements as a result of not distributing such interim reports in accordance with the requirements under Rule 13.48(1) of the Listing Rules. Pursuant to the Note to Rule 13.48(1) of the Listing Rules, we do not intend to distribute a separate interim report in respect of the six months ended June 30, 2026 under the aforementioned Rule. For details, please see "Appendix IA — Unaudited Interim Condensed Consolidated Financial Information".

Revenue

Our revenue increased by 21.4% from RMB7,095.2 million for the six months ended June 30, 2025 to RMB8,611.5 million for the six months ended June 30, 2026, mainly due to (i) increased orders from automotive electronics customers driven by the prevailing trend of electrification and intelligentization in the automotive industry, as well as customers' proactive inventory build-up in response to rising raw material prices; (ii) increased orders from telecommunication and data infrastructure customers supported by the surge in AI infrastructure investments where PCB products serve a critical role; and (iii) the expansion of our production capacity and strengthened market development efforts.

Cost of Sales

Our cost of sales increased by 23.2% from RMB5,576.7 million for the six months ended June 30, 2025 to RMB6,870.0 million for the six months ended June 30, 2026, generally in line with the growth of our revenue.

Gross Profit and Gross Profit Margin

Our gross profit increased by 14.7% from RMB1,518.5 million for the six months ended June 30, 2025 to RMB1,741.5 million for the six months ended June 30, 2026. Our gross profit margin decreased slightly from 21.4% for the six months ended June 30, 2025 to 20.2% for the six months ended June 30, 2026, primarily due to (i) the continued increase in prices of key raw materials, in particular the sustained elevation of prices of copper clad laminates; (ii) intensified price competition in the downstream automotive electronics sector; (iii) the initial ramp-up of our new production bases, where fixed costs were absorbed over lower initial output volumes; and (iv) the relatively low initial yields of our high-end production capacity, particularly for HDI PCB products. These factors were partially offset by (a) an improvement in the gross profit margin of our telecommunication and data infrastructure business from 13.5% for the six months ended June 30, 2025 to 19.0% for the six months ended June 30, 2026, as certain high-margin AI-related orders began to ramp up; and (b) our efforts to optimize our product order mix and increase the proportion of high value-added products.

Other Income and Gains

Our other income and gains decreased by 7.8% from RMB210.0 million for the six months ended June 30, 2025 to RMB193.7 million for the six months ended June 30, 2026, primarily due to the decrease in government grants, partially offset by the increase in fair value gains on financial assets at fair value through profit or loss.

Other Expenses

Our other expenses increased significantly from RMB55.0 million for the six months ended June 30, 2025 to RMB194.5 million for the six months ended June 30, 2026, primarily due to net losses on foreign exchange differences, increased impairment losses on financial assets, and write-down of inventories to net realizable value.

Profit for the Period

As a result of the foregoing, our profit for the period decreased by 6.5% from RMB653.5 million for the six months ended June 30, 2025 to RMB610.8 million for the six months ended June 30, 2026.

Assets and Liabilities

Our total assets increased by 15.6% from RMB23,726.9 million as of December 31, 2025 to RMB27,431.6 million as of June 30, 2026, primarily due to the increase in property, plant and equipment and inventories as we continued to expand our production capacity. Our total liabilities increased by 34.2% from RMB10,457.1 million as of December 31, 2025 to RMB14,034.1 million as of June 30, 2026, primarily due to the increase in interest-bearing bank and other borrowings to fund our production capacity expansion, as well as the increase in accounts and bills payables.

Cash Flows

We recorded net cash from operating activities of RMB604.2 million, net cash used in investing activities of RMB2,979.6 million and net cash from financing activities of RMB2,261.2 million for the six months ended June 30, 2026.

In this prospectus, unless the context otherwise requires, the following terms and expressions have the meanings set forth below. Certain other terms are explained in the "Glossary of Technical Terms" in this prospectus.

"2024 Share Option and Restricted Share Incentive Plan"	the stock option and restricted share incentive plan approved by the Shareholders' meeting of the Company on May 20, 2024
"2026 Share Option and Restricted Share Incentive Plan"	the stock option and restricted share incentive plan approved by the Shareholders' meeting of the Company on June 25, 2026
"A Share(s)"	ordinary shares issued by our Company, with a nominal value of RMB1.00 each, which are listed on the Shanghai Stock Exchange and traded in Renminbi
"Accountants' Report"	the accountants' report of our Company for the Track Record Period, the text of which is set out in Appendix I to this prospectus
"affiliate(s)"	with respect to any specified person, any other person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified person
"AFRC"	the Accounting and Financial Reporting Council of Hong Kong
"Articles" or "Articles of Association"	the articles of association of our Company, as amended, which shall become effective from the Listing Date and a summary of which is set out in Appendix III to this prospectus
"associate(s)"	has the meaning ascribed to it under the Hong Kong Listing Rules
"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"
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"CIC"	China Insights Industry Consultancy Limited, our industry consultant, which is an Independent Third Party
"CIC Report"	an independent market research report commissioned by our Company and prepared by CIC for the purpose of this prospectus

"close associate(s)"	has the meaning ascribed to it under the Listing Rules
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company", "our Company", or "the Company"	Shenzhen Kinwong Electronic Co., Ltd. (深圳市景旺電子股份有限公司), established on March 9, 1993 and converted into a joint stock limited company under the laws of the PRC on June 17, 2013, the A Shares of which have been listed on the Shanghai Stock Exchange (stock code: 603228)
"Compliance Advisor"	Lego Corporate Finance Limited
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"connected transaction(s)"	has the meaning ascribed to it under the Listing Rules
"Controlling Shareholder(s)"	has the meaning ascribed to it under the Listing Rules and unless the context requires otherwise, refers to Jinghong Yongtai, Wise Able Investment, Yizhao Investment, Mr. Liu Shaobai (劉紹柏), Ms. Huang Xiaofen (黃小芬), Ms. Cheuk Kwan (卓軍) and Mr. Liu Yu (劉羽)
"Controlling Shareholders Group"	has the meaning ascribed thereto under the Listing Rules and unless the context otherwise requires, refers to Jinghong Yongtai, Wise Able Investment, Yizhao Investment, Mr. Liu Shaobai (劉紹柏), Ms. Huang Xiaofen (黃小芬), Ms. Cheuk Kwan (卓軍) and Mr. Liu Yu (劉羽). See "Relationship with Our Controlling Shareholders Group" for more details
"core connected person(s)"	has the meaning ascribed to it under the Listing Rules
"CSDC"	China Securities Depository and Clearing Corporation Limited (中國證券登記結算有限責任公司)
"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會)
"CSRC Filing(s)"	any letters, filings, correspondences, communications, documents, responses, undertakings and submissions in any form, including any amendments, supplements and/or modifications thereof, made or to be made to the CSRC, relating to or in connection with the Global Offering pursuant to the CSRC Filing Rules and other applicable rules and requirements of the CSRC (including, without limitation, the CSRC Filing Report)
"CSRC Rules"	the CSRC Filing Rules and the CSRC Archive Rules
"Director(s)"	the director(s) of our Company

"FINI" or "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 listing of equity securities or interests issued by a new applicant, irrespective of whether there is an offering of equity securities or interests
"Global Offering"	the Hong Kong Public Offering and the International Offering
"Governmental Authority"	any governmental, regulatory, or administrative commission, board, body, authority, or agency, or any stock exchange, self-regulatory organization, or other non-governmental regulatory authority, or any court, judicial body, tribunal, or arbitrator, in each case whether national, central, federal, provincial, state, regional, municipal, local, domestic, foreign, or supranational
"Group", "our Group", "the Group", "we", "us" or "our"	the Company and its subsidiaries from time to time, their predecessors (as the case may be), and where the context requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time
"H Share(s)"	overseas listed foreign shares in our ordinary share capital with a nominal value of RMB1.00 each, which are to be subscribed for and traded in Hong Kong dollars and to be listed on the Main Board of the Stock Exchange
"H Share Registrar"	Tricor Investor Services Limited
"HK" or "Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"HK$" or "Hong Kong dollars"	Hong Kong dollars, the lawful currency of Hong Kong
"**HK eIPO White Form**"	the application for Hong Kong Offer Shares to be issued in the applicant's own name, 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
"**HKSCC EIPO**"	the application for the Hong Kong Offer Shares to be issued in the name of HKSCC Nominees and deposited directly into CCASS to be credited to your designated HKSCC Participant's stock account through causing HKSCC Nominees to apply on your behalf, including by instructing your **broker** or **custodian** who is an HKSCC Participant to give **electronic application instructions** via HKSCC's FINI system to apply for the Hong Kong Offer Shares on your behalf
"HKSCC 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 participating in CCASS as a direct clearing participant, a general clearing participant or a custodian participant
"Hong Kong Listing Rules" or "Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
"Hong Kong Offer Shares"	the 7,294,500 H Shares being initially offered by our Company for subscription in the Hong Kong Public Offering (subject to reallocation as described in "Structure of the Global Offering")
"Hong Kong Public Offering"	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong
"Hong Kong Underwriters"	the underwriters of the Hong Kong Public Offering as listed in "Underwriting — Hong Kong Underwriters"
"Hong Kong Underwriting Agreement"	the underwriting agreement, dated on or about Friday, September 18, 2026, relating to the Hong Kong Public Offering, entered into by, among others, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Hong Kong Underwriters and our Company, as further described in "Underwriting — Underwriting Agreements — Hong Kong Underwriting Agreement"
"IFRS"	International Financial Reporting Standards, as issued by the International Accounting Standards Board
"Independent Third Party(ies)"	any entity(ies) or person(s) who is not a connected person of our Company within the meaning ascribed to it under the Listing Rules
"International Offer Shares"	the 65,649,800 H Shares being initially offered for subscription under the International Offering (subject to reallocation as described in "Structure of the Global Offering")
"International Offering"	the offer of the International Offer Shares at the Offer Price outside the U.S. in offshore transactions in accordance with Regulation S and in the U.S. to QIBs in reliance on Rule 144A or any other available exemption from registration under the U.S. Securities Act as further described in the section headed "Structure of the Global Offering" in the prospectus
"International Underwriters"	the underwriters of the International Offering

"Jiangxi Kinwong"	Jiangxi Kinwong Precision Circuit Co., Ltd. (江西景旺精密電路有限公司), a limited liability company established under the laws of the PRC on September 22, 2011, one of the subsidiaries of the Company
"Jing 20 Convertible Bonds"	the convertible bonds issued by the Company on August 24, 2020
"Jing 23 Convertible Bonds"	the convertible bonds issued by the Company on April 4, 2023
"Jinghong Yongtai"	Shenzhen Jinghong Yongtai Investment Holding Co., Ltd. (深圳市景鴻永泰投資控股有限公司), a limited liability company established under the laws of the PRC on January 6, 2012, one of the members of our Controlling Shareholders Group
"Joint Bookrunners"	the joint bookrunners as named in "Directors and Parties Involved in the Global Offering"
"Joint Global Coordinators"	the joint global coordinators as named in "Directors and Parties Involved in the Global Offering"
"Joint Lead Managers"	the joint lead managers as named in "Directors and Parties Involved in the Global Offering"
"Joint Sponsors"	the joint sponsors of the Listing as named in "Directors and Parties Involved in the Global Offering"
"Latest Practicable Date"	September 12, 2026, being the latest practicable date for ascertaining certain information in this prospectus before its publication
"Laws"	all laws, statutes, legislation, ordinances, rules, regulations, guidelines, opinions, notices, circulars, directives, requests, orders, judgments, decrees, or rulings of any Governmental Authority (including the Stock Exchange and the SFC) of all relevant jurisdictions
"Listing"	the listing of the H Shares on the Main Board of the Stock Exchange
"Listing Committee"	the Listing Committee of the Hong Kong Stock Exchange
"Listing Date"	the date, expected to be on or about Tuesday, September 29, 2026, on which the H Shares are to be listed and on which dealings in the H Shares are to be first permitted to take place on the Stock Exchange
"Longchuan Kinwong"	Kinwong Electronic Technology (Longchuan) Co., Ltd. (景旺電子科技(龍川)有限公司), a limited liability company established under the laws of the PRC on June 13, 2006, one of the subsidiaries of the Company
"Luxshare Precision"	Luxshare Precision Industry Co., Ltd. (立訊精密工業股份有限公司), a joint stock company incorporated in the PRC with limited liability and listed on the Shenzhen Stock Exchange with stock code 002475

"Main Board"	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange
"Major Subsidiaries"	our major subsidiaries as identified in "History and Corporate Structure — Our Major Subsidiaries"
"MIIT"	Ministry of Industry and Information Technology of the PRC (中華人民共和國工業和信息化部)
"Ministry of Finance" or "MOF"	Ministry of Finance of the PRC (中華人民共和國財政部)
"Nomination Committee"	the nomination committee of the Board
"NPC Standing Committee"	Standing Committee of the National People's Congress of the People's Republic of China (中華人民共和國全國人民代表大會常務委員會)
"Offer Price"	the final offer price per Offer Share (exclusive of brokerage, SFC transaction levy, Stock Exchange trading fee and AFRC transaction levy), 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 of the Global Offering"
"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"
"PBOC"	the People's Bank of China (中國人民銀行), the central bank of the PRC
"PRC" or "China"	the People's Republic of China, but for the purposes of this prospectus only (unless otherwise indicated) excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan, China
"PRC Company Law"	the Company Law of the PRC, as amended, modified and/or otherwise supplemented from time to time
"PRC GAAP"	generally accepted accounting principles in the PRC
"PRC Legal Advisor"	Guantao Law Firm, our legal advisor on PRC laws
"Price Determination Date"	the date, expected to be on or around Friday, September 25, 2026 (Hong Kong time) on which the Offer Price is determined, but in any event not later than 12:00 noon on Friday, September 25, 2026
"QIB"	a qualified institutional buyer within the meaning of Rule 144A
"Regulation S"	Regulation S under the U.S. Securities Act

"Relevant Jurisdiction"	any jurisdiction that is relevant to the Company and has sanctions related laws or regulations restricting, among other things, its nationals and/or entities which are incorporated or located in that jurisdiction from directly or indirectly making assets or services available to or otherwise dealing in assets of certain countries, governments, persons or entities targeted by such laws or regulations. For the purposes of this prospectus, such relevant jurisdictions shall include the U.S., the E.U., the U.K. and the U.N.
"Relevant Sanctions Authorities"	the relevant governmental authorities in the Relevant Jurisdictions that administer their respective sanctions related laws or regulations
"RMB" or "Renminbi"	Renminbi, the lawful currency of China
"Rule 144A"	Rule 144A under the U.S. Securities Act
"SAFE"	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
"SFC"	Securities and Futures Commission of Hong Kong
"SFO" or "Securities and Futures Ordinance"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Shanghai-Hong Kong Stock Connect"	a securities trading and clearing links program developed by the Hong Kong Stock Exchange, Shanghai Stock Exchange, HKSCC and CSDC for mutual market access between Hong Kong and Shanghai
"Share(s)"	shares in the share capital of our Company, with a nominal value of RMB1.00 each, comprising our A Shares and our H Shares
"Share Option and Restricted Share Incentive Plans"	the 2024 Share Option and Restricted Share Incentive Plan and the 2026 Share Option and Restricted Share Incentive Plan
"Shareholder(s)"	holder(s) of the Share(s)
"Shenzhen-Hong Kong Stock Connect"	a securities trading and clearing links program developed by the Hong Kong Stock Exchange, Shenzhen Stock Exchange, HKSCC and CSDC for mutual market access between Hong Kong and Shenzhen
"Sponsor-Overall Coordinators"	the sponsor-overall coordinators as named in "Directors and Parties Involved in the Global Offering"
"STA"	the State Taxation Administration of the PRC (中華人民共和國國家稅務總局)
"State Council"	the State Council of the PRC (中華人民共和國國務院)
"Stock Exchange" or "Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited

"subsidiary" or "subsidiaries"	has the meaning ascribed to it in section 15 of the Companies Ordinance
"substantial shareholder(s)"	has the meaning ascribed to it in the Listing Rules
"Takeovers Code"	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC, as amended, supplemented or otherwise modified from time to time
"Track Record Period"	the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2026
"Trial Measures"	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》) promulgated by the CSRC on February 17, 2023
"Underwriters"	the Hong Kong Underwriters and the International Underwriters
"U.S.", "US" or "United States"	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
"U.S. dollars", "USD" 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
"Wise Able Investment"	Wise Able Investment Limited (智創投資有限公司), a limited liability company established under the laws of Hong Kong on February 1, 2012, one of the members of our Controlling Shareholders Group
"Yizhao Investment"	Shenzhen Yizhao Investment Partnership (Limited Partnership) (深圳市奕兆投資合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on July 24, 2023, one of the members of our Controlling Shareholders Group
"Zhuhai Kinwong"	Kinwong Electronic Technology (Zhuhai) Co., Ltd. (景旺電子科技(珠海)有限公司), a limited liability company established under the laws of the PRC on August 21, 2017, one of the subsidiaries of the Company
"Zhuhai Kinwong Flexible"	Zhuhai Kinwong Flexible Circuit Co., Ltd. (珠海景旺柔性電路有限公司), a limited liability company established under the laws of the PRC on April 19, 2004, one of the subsidiaries of the Company
"%"	per cent

For ease of reference, the names of Chinese laws and regulations, governmental authorities, institutions, natural persons or other entities (including our subsidiaries) have been included in this prospectus in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail.

This glossary contains explanations of certain technical terms used in this prospectus in connection with our Company and its business. Such terminology and meanings may not correspond to standard industry meanings or usages of those terms.

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

"ADAS"	advanced driver assistance systems
"ADCU"	automated driving control units
"AI"	artificial intelligence
"AI servers"	servers specifically built to handle the demands of AI workloads
"AIoT"	artificial intelligence of things
"AR"	augmented reality
"ASIC"	application-specific integrated circuit
"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"	ball grid array
"BI"	business intelligence
"blind via"	a type of vias extending only to one surface of PCB
"BMS"	battery management system
"buried via"	a type of vias not extending to the surface of PCB
"CAM"	computer-aided manufacturing
"CMA"	China metrology accreditation
"CPU"	central processing unit
"digital twin"	a virtual model constructed for a physical entity or system, which can simulate the operating status of the physical entity or system in real time, thereby enabling dynamic monitoring and optimization control of its operation process
"EAP"	equipment automation program
"EMS"	electronics manufacturing services
"ERP"	enterprise resource planning

"ESG"	environmental, social and governance
"EV"	electric vehicle
"fifth/sixth/seventh-generation millimeter-wave radar boards"	PCB used in the fifth/sixth/seventh-generation millimeter-wave radar. The fifth-generation millimeter-wave radar represents a breakthrough from its predecessors, adding vertical height perception capabilities to the three-dimensional perception of speed and horizontal angle, making it a four-dimensional millimeter-wave radar equipped with four-dimensional perception. The sixth-generation millimeter-wave radar upgrades perception capabilities such as detection range and horizontal angle resolution. The seventh-generation millimeter-wave radar further enhances the above perception performance, better meeting the perception requirements of advanced intelligent driving functions
"FPC"	flexible printed circuit(s)
"FPGA"	field programmable gate array
"FR4"	flame retardant 4, the industry-standard flame-retardant grade of composite materials used for PCB
"GLA"	gross land area
"GPS"	global positioning system
"GPU"	graphics processing unit
"HDI"	high-density interconnect
"high-build-up"	manufacturing process involving three or more laser drilling and lamination processes
"HLC"	high layer count
"IASB"	International Accounting Standards Board
"IPD"	integrated product development
"LDI"	laser direct imaging
"LED"	light emitting diode
"LiDAR"	light detection and ranging
"MES"	manufacturing execution system
"mil"	a length unit equal to one-thousandth of an inch
"MLPCB"	multi-layer PCB
"MPCB"	metal-based PCB
"MRP"	material requirements planning

"mSAP"	modified semi-additive process
"M7-to-M9"	the grading of copper-clad laminates. The higher grade represents lower signal transmission losses and better high-speed transmission performance
"OLED"	organic light-emitting diode
"PCB"	printed circuit board(s)
"PPO"	polyphenylene oxide
"prepreg"	also known as "PP sheet" or "resin sheet", a 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
"rigid-flex PCB"	a hybrid type of printed circuit board that combined elements of both RPCB and FPC into a single unit
"R&D"	research and development
"RPA"	robotic process automation
"RPCB"	rigid PCB
"SBTi"	science based targets initiative
"signal integrity"	the quality of the signal along the transmission path
"SLP"	substrate-like PCB
"SMT"	surface mount technology
"sq.m."	square meter(s)
"SRM"	supplier relationship management
"stub"	the residual conductive part in a via
"Tier 1 automotive suppliers"	suppliers that supply parts or systems directly to automotive original equipment manufacturers
"TOC"	theory of constraints
"vias"	holes that are drilled through the board to create pathways for electrical connections between different layers
"VR"	virtual reality

We have included in this prospectus forward-looking statements. Statements that are not historical facts, including but not limited to statements about our intentions, beliefs, expectations or predictions for the future, are forward-looking statements.

This prospectus contains forward-looking statements and information relating to us and our 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," "expect," "going forward," "intend," "may," "ought to," "plan," "project," "seek," "should," "will," "would," "vision," "aspire," "target," "schedules," and the negative of these words and other similar expressions, as they relate to us or our management, are intended to identify forward-looking statements. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including the risk factors as described in this prospectus, some of which are beyond our control and may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks and uncertainties facing us which could affect the accuracy of forward-looking statements include, but are not limited to, (i) our operations and business prospects; (ii) our ability to maintain relationships with, and the actions and developments affecting, our major customers and suppliers; (iii) future developments, trends and conditions in the industries and markets in which we operate or plan to operate; (iv) general economic, political and business conditions in the markets in which we operate; (v) changes to the regulatory environment in the industries and markets in which we operate; (vi) our ability to maintain the market positions; (vii) the actions and developments of our competitors; (viii) our ability to effectively contain costs and optimize pricing; (ix) the ability of third parties to perform in accordance with contractual terms and specifications; (x) our ability to retain senior management and key personnel and recruit qualified staff; (xi) our business strategies and plans to achieve these strategies, including our service and expansion plans; (xii) our ability to defend our intellectual rights and protect confidentiality; (xiii) the effectiveness of our quality control systems; (xiv) change or volatility in interest rates, foreign exchange rates, equity prices, trading volumes, commodity prices and overall market trends; including those pertaining to the PRC and the industry and markets in which we operate; and (xv) capital market developments.

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

Subject to the requirements of applicable laws, rules and regulations, we do not have any 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. All forward-looking statements in this prospectus are qualified by reference to the cautionary statements in this section as well as the risks and uncertainties discussed in "Risk Factors."

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

An investment in our H Shares involves a high degree of risk. You should carefully consider the following information about risks, together with the other information contained in this document, including our consolidated financial statements and related notes, before you decide to buy our H Shares. If any of the circumstances or events described below actually arises or occurs, our results of operations, financial performance and business prospects may suffer. In any such case, the market price of our H Shares could decline and you may lose all or part of your investment. This prospectus also contains forward-looking information that involves risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the risks described below.

RISKS RELATED TO OUR BUSINESS AND OUR INDUSTRY

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

Our results of operations depend on general economic conditions. Our customers' ability and willingness to adopt our products directly impact our business performance. Demand for our products is tied to capital investment cycles and is influenced by broader economic conditions, including the availability of funding, regulatory developments, and sector-specific trends. In addition, a significant portion of our revenue is derived from the sale of products used in automotive electronics and smart devices. Accordingly, consumer spending patterns play a critical role in shaping demand for our products. These investments and spending in turn are affected by a number of economic and other factors beyond our control, such as interest rates, conditions in the real estate and mortgage markets, unemployment rates, labor and health expenditures, access to credit, consumer confidence, international trade policy (including tariffs), and other macroeconomic factors. Economic uncertainty and other related factors may exacerbate negative trends in these investments and spendings and may postpone or preclude the investment in purchases of electric vehicles or smart devices, which in turn will negatively affect customer demands for our products and thereby adversely affect our business, results of operations and financial condition. Similarly, our operating results are affected by cyclicality, either directly or indirectly, in the various industries we serve, including automotive electronics and smart devices.

Our growth depends on the growth and development of the markets served by our customers. If the end markets do not develop as we expect, our business prospects may be harmed.

Demand for our products is dependent upon, among other things, the growth of the markets served by our customers, including but not limited to the automotive electronics, telecommunication and data infrastructure, smart devices, industrial control and other sectors. For the year ended December 31, 2025, revenue generated from the automotive electronics, smart devices, industrial control and medical devices, and telecommunication and data infrastructure sectors accounted for 45.4%, 24.2%, 13.9% and 10.4% of our total revenue, respectively. For the four months ended April 30, 2026, revenue generated from the automotive electronics, smart devices, industrial control and medical devices, and telecommunication and data infrastructure sectors accounted for 44.1%, 19.7%, 12.7% and 15.6% of our total revenue, respectively. These underlying industries are characterized by evolving technologies, evolving industry standards and changing customer demands. These industries are highly competitive and to a large extent driven by end markets. Fluctuations in price and evolving demands within these industries could lead to reduced sales and declining prices for the end products, which will in turn affect our revenue and profit margins. Since our revenue growth ultimately depends on the success of these sectors, our business may suffer if there is a slowdown or decline in their adoption. Even if these industries do develop, we may not be well-positioned or able to penetrate and capitalize on these new markets. As a result of the foregoing factors, we may experience fluctuations in our results of operations and financial performance.

Our revenue depends partially on our customers' ability to commercialize their products successfully. Our customers' products may not achieve market success or may become obsolete. We cannot assure you that our customers are able to dedicate the resources necessary to promote and commercialize their products, successfully execute their business strategies for such products, or be able to manufacture such products in quantities sufficient to meet the demand or cost-effectively manufacture products at a high volume. Our customers' failure to achieve market success for their products, including as a result of general declines in our customers' markets or industries, could negatively affect their willingness to utilize our products, which may result in a decrease in our revenue and negatively affect our business and results of operations.

Our revenue also depends partially on the timely introduction, quality and market acceptance of our customers' products that incorporate our products. Our customers' products can be very complex and subject to design complexities that may result in design flaws, as well as potential defects, errors and bugs. If our customers discover design flaws, defects, errors or bugs in their products, or if they experience changing market requirements, failed evaluations or field trials, or issues with other vendors, they may delay, change or cancel a project, which could adversely affect our business and financial results.

Fluctuations in copper prices and availability could materially and adversely affect our business, results of operations and financial condition.

Our results of operations are influenced by the availability and price volatility of key raw materials used in our production, especially those made of metal commodities including copper. The prices of these materials are closely linked to international commodity markets and global supply and demand. Copper prices are inherently volatile and are influenced by a broad range of factors beyond our control, including global and regional supply and demand dynamics, such as mine output, smelting and refining capacity and utilization, scrap availability and quality, and inventory levels, macroeconomic conditions, monetary policy and interest rates, energy prices, regulatory developments and environmental restrictions affecting mining and refining, geopolitical events and trade policies, and speculative activities and investor sentiment in commodity markets, including the London Metal Exchange and the Shanghai Futures Exchange. Recent developments in the Middle East, including U.S. military actions involving Iran, have increased geopolitical uncertainty and instability in the region. The situation remains dynamic, and the ultimate scope, duration, and impact of these events are uncertain. Further escalation, retaliation, or expansion of hostilities could contribute to heightened volatility in global energy supplies and prices, global political, economic and financial conditions. In particular, the closure of the Strait of Hormuz starting in March 2026 could threaten the PCB industry overall by limiting the supplies of natural gas and oil. We have not implemented any hedging measures or policies to manage copper price fluctuations. Any sharp increase in copper prices could elevate our costs.

Our future growth depends on maintaining and building relationships with customers and developing products that meet their evolving needs.

Many of our products are highly customized to meet the specific technical and performance requirements of individual customers. To maintain our relationships with these customers, we may be required to design, develop and deliver new or improved products that align with customers' product roadmaps and evolving technologies. Developing such products may involve significant technological challenges, increased product specific requirements and extensive qualification procedures, which require close coordination with customers. In 2023, 2024 and 2025, the number of our direct sales customers was 575, 570 and 572, respectively, and the number of our trading partners was 70, 58 and 32, respectively. In the same periods, our customer retention rate was 79.3%, 81.9% and 77.6%, respectively. We cannot assure you that these efforts will result in products that satisfy customers' needs or commercial expectations, or that these efforts will lead to future orders or long-term business relationships.

If we are unable to provide products that meet our customers' demands on a timely basis, our relationships with our customers will be negatively impacted. In addition, if we are unable to repair these relationships by increasing our customers' confidence in us, we may lose our customers and deteriorate the relationship with our customers. Furthermore, our customers conduct quality checks and inspection of our products when they receive them, and they can return or exchange products that do not meet their quality standards. If we experience a high level of product returns or exchanges, it may cast doubt on the reliability of our products, and our business and financial condition may be negatively impacted.

If we fail to anticipate and respond to evolving market conditions and technological change, or to develop and introduce new or enhanced products on a timely basis, our ability to attract and retain customers could be impaired and our business, financial condition and results of operations could be adversely affected.

Our markets are characterized by rapid technological change, frequent product introductions and upgrades, evolving technical standards and shifting customer preferences. As end-market applications advance, new or alternative technologies and higher-end products may emerge that render our existing products less competitive or obsolete, or require costly, time-consuming modifications to our products and manufacturing processes. Our future success depends on our ability to anticipate and respond to these changes; design, develop, commercialize and support new or enhanced products that meet customers' evolving performance, reliability and functionality requirements; secure timely access to critical new technologies; and achieve market acceptance.

Our customers often impose tight development schedules and extensive technical support requirements, which may require significant allocations of capital, engineering resources and management attention. If industry standards or customer requirements change more quickly or in unanticipated ways, we may be unable to adapt our technologies or roadmap on a timely or cost-effective basis, effectively commercialize our research and development investments, or introduce competitive products that achieve market acceptance.

Intense competition, the continuous launch of new or upgraded products by existing or new market participants, faster product iteration cycles by competitors and the emergence of competing technologies could reduce demand for our products, compress pricing and margins, and erode our market share. In addition, our products may contain errors, defects or bugs, particularly when first introduced or when new features are integrated. Delivery of products with reliability, quality or compatibility problems could delay or hinder market acceptance, require costly remediation or recalls, divert technical and other resources, damage our reputation and brand, and expose us to warranty, indemnity or product liability claims. We cannot assure you that defects or other problems will not be found in our new or enhanced products before or after commercial introduction despite testing by us, our suppliers or our customers. Any such issues could result in delays in development, production or roll-out; increased development and support costs; loss of credibility with existing and prospective customers; interruptions, delays or cessation of sales; and the loss of customers.

If we fail to anticipate and respond successfully to changes in technology, industry standards or customer preferences; fail to access or develop critical new technologies; or fail to design, develop, manufacture and introduce new or enhanced products that achieve market acceptance on a timely basis, our ability to attract and retain customers could be impaired. Any decrease in demand for our products due to the emergence of competing technologies, changes in customer requirements or preferences, or other market dynamics could adversely affect our business, results of operations and prospects.

We are exposed to risks associated with our global presence and will continue to be subject to such risks when we expand our business overseas.

During the Track Record Period, we have served over 800 global customers, with products sold to 53 countries or regions. In 2023, 2024 and 2025, revenue from the sales of PCB to overseas markets accounted for 37.5%, 38.9% and 37.2% of our revenue, respectively. For the four months ended April 30, 2025 and 2026, revenue from the sales of PCB to overseas markets accounted for 37.5% and 40.4% of our revenue, respectively. As we expand our business overseas, we may be subject to the following risks: (i) challenges in providing products, services and support, in recruiting personnel in international markets, and in managing sales networks effectively; (ii) challenges in commercializing products in new markets, limited experience with local market dynamics, and a lack of established sales, distribution, and marketing infrastructure; (iii) difficulties in dealing with regulatory regimes, regulatory bodies and government policies with, in order to obtain permits, licenses and approvals necessary to manufacture or import, market and sell products in or to various jurisdictions; (iv) potentially reduced protection for our intellectual property rights and potential breach of third-party intellectual rights; (v) differences in accounting treatment in different jurisdictions, potential adverse tax implications and foreign currency exchange rate risks; (vi) inability to effectively enforce contractual or legal rights; (vii) changes in laws, regulations and policies as well as political, economic and market instability or civil unrest in the relevant jurisdictions; and (viii) inflation and deflation risks in the regions where we have operations.

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

We face competition and expect competition to increase in the future. If we fail to compete effectively, our revenue growth and results of operations will be materially and adversely affected.

We face fierce competition from other PCB providers whose activities directly affect and shape the pace of competition. Although the entry barriers for advanced PCB products are high, the global PCB market is still highly competitive and relatively fragmented. In terms of PCB revenue in 2025, the combined market share of the top 15 global PCB providers reached 48.9%. We expect competition to increase and intensify as other companies enter our markets, many of which may have greater financial and other resources with which to pursue technology development, product design, manufacturing, marketing and sales of their products. Increased competition could result in price pressure, reduced profitability and loss of market share, any of which could materially and adversely affect our business, revenue and operating results. Currently, our competitors include large, established and international companies which offer a wide range of PCB products, as well as smaller, specialized companies that focus on specific PCB products. In addition, as opportunities in the PCB market grow, we expect that new entrants will enter these markets and existing competitors may increase their investments in order to compete more effectively against our products. These competitors could develop technologies that would render our products or technologies uncompetitive or obsolete.

Our ability to compete successfully depends on factors both within and outside of our control, including (i) the functionality, performance and pricing of our products relative to those of our competitors; (ii) our relationships with our customers and other industry participants; (iii) our ability to develop innovative products, such as the mid-to-high end products; (iv) our ability to retain high-level talent, including our management team, engineers and R&D technicians; and (v) the actions of our competitors, including merger and acquisition activity, new product and solution launches and other actions that could change the competitive landscape.

Competition could result in pricing pressure, reduced revenue and profitability and loss of market share, any of which could materially and adversely affect our business, financial condition, results of operations and prospects. In the event of a market downturn, competition in the markets in which we operate may intensify as our customers reduce their purchase orders. If we fail to increase our competitiveness, grasp the market dynamics and industry development trends, and innovate technology and products to meet the customers' needs, our industry position, market share, business, financial condition and results of operations will be adversely affected.

If our production capacity is not adequate, our production capability to satisfy customer demand could be hindered, and our production capacity expansion efforts may not yield the benefits that we expect.

If our production capacity cannot meet market demand, especially if we experience increased demand for our products as we grow our customer base, our ability to deliver products to our customers on a timely basis will be affected. Similarly, if we are not able to meet the overall demand for our products or demand for any of our specific products, particularly in the event of production disruptions, inefficiencies from design complexity or quality issues, or during periods when we experience high demand for some or all of our products, our ability to satisfy our customer demands will be affected. Under these circumstances, our business results of operations and financial condition may be materially and adversely affected.

For the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2026, the designed production capacity for our main product categories was 10.0 million sq.m., 10.6 million sq.m., 12.9 million sq.m. and 4.5 million sq.m., respectively. In the future, as our business grows, we may need to expand our production capacity through various measures, including the construction of new production facilities. We cannot assure you that our new facilities will be ready in time or our production capacity will otherwise be successfully expanded. A number of factors could delay our expansion plans or increase our costs, including (i) failure to raise sufficient funds to establish and maintain working capital to operate our business at the new premises, (ii) failure to obtain environmental and regulatory approvals, permits or licenses from the relevant government authorities in a timely manner, (iii) failure to find new sites for our production facilities, (iv) shortage or late delivery of building materials and production equipment resulting in late delivery of the premises for occupancy and use, (v) various factors affecting construction progress and resulting in late delivery of the premises for occupancy and use, (vi) technological changes, production capacity expansion or other changes to our plans for the new premises necessitated by changes in market conditions, and (vii) challenges in recruiting a sufficient number of adequately skilled employees at the time and in the locations we need.

Failure to expand our production capacity could hinder our capability to satisfy customer demand and growth prospects. Furthermore, if market demand declines in the future, we may not be able to recoup the capital expenditure incurred for the construction of new premises and the maintenance of expanded production capacity. A delay in or cancellation of our expansion plans could also subject us to disputes with various counterparties, including general contractors and subcontractors, equipment suppliers, financiers and relevant government authorities. As a result, our prospects, business, results of operations and financial condition may be materially and adversely affected.

If we are unable to maintain our high production capacity utilization rates and production yields, our profitability will be adversely affected.

Maintaining high production capacity utilization and production yields is crucial to our profitability as it allows us to spread our fixed costs over a substantial volume of products. For the years ended December 31, 2023, 2024 and 2025, the utilization rates for our main product categories were 90.9%, 96.6% and 93.2%, respectively, and the total output was 9.1 million sq.m., 10.3 million sq.m. and 12.9 million sq.m., respectively. Decreases in production capacity utilization rates and production yields can have an adverse impact on our gross margin. Our ability to maintain or improve our gross margin will continue to depend, in part, on maintaining high production capacity utilization rates and production yields. We cannot assure you that our utilization rates and production yields will not be negatively affected by adverse factors such as, among others, equipment malfunction, interruption in the availability of utilities, natural disasters, deficiencies in quality control, inadequate sample testing, labor shortages, the inability of our labor force to return to work and human errors. We cannot assure you that we will be able to maintain high production capacity utilization rates and production yields in the future. If demand for our products does not meet our expectations, our production capacity utilization and gross margin will be adversely affected. In addition, if we fail to maintain high quality production standards, our reputation may suffer, and our customers may cancel their orders or return our products, which will negatively affect our business, results of operations and financial condition.

If we experience operational disruption or machinery breakdown in our production facilities, our production volume may be adversely affected.

Our success and reputation depend on our ability to deliver quality products to our customers on time and in required quantities, which in turn relies on the proper and reliable functioning of our production processes. Our production processes rely on the stable operation of our production facilities, particularly machinery and equipment for key processes. Any operational disruption, machinery breakdown or failure of newly installed equipment to meet required production standards during initial setup and testing could lead to delays in our production schedule and hinder our ability to fulfill customer orders on time, thus affecting customer satisfaction.

Operational disruptions or machinery breakdowns in our production facilities may arise from unexpected incidents or catastrophic events, including natural disasters, fires, technical or mechanical failures, power shortages, explosions, labor strikes, epidemics, loss of licenses, certifications or permits, changes in governmental planning for the underlying land, and regulatory developments. Additionally, instability or shortages in electricity supply could halt production activities, causing delays in fulfilling customer orders. In the event of such disruptions, maintaining production volumes and ensuring sufficient stock levels to meet customer demands could be challenging. Identifying and securing alternative facilities or machinery in a timely and cost-effective manner may not always be feasible. Delays in resuming normal operations could also affect the quality and schedule of product deliveries, potentially impacting customer satisfaction and damaging our reputation. Any prolonged suspension of operations or significant disruptions in our production processes could materially and adversely affect our business operations.

Dependence on limited, highly customized manufacturing equipment and third-party suppliers could lead to supply shortages, repair delays, and technology failures that disrupt production and impair our ability to meet customer and contractual requirements.

We purchase substantially all of our manufacturing equipment from external suppliers based on our technical specifications, and we cannot guarantee that such suppliers will perform their contractual duties as we expect. In particular, only a few companies can produce the machines that are necessary to achieve a desirable level of production yields, and its production capacity is limited. Supply shortage due to any reason can hinder our capability to expand and upgrade our production capacity, which in turn may have a material and adverse effect on our prospects, business, results of operations and financial condition.

In order to meet the diverse needs of our end customers, we are often required to manufacture customized products with a high degree of flexibility in size, shape, component placement, and other parameters to optimize performance for specific applications. Accordingly, some of our manufacturing equipment is customized to the designs or specifications that we provide to our equipment supplier, who then undertakes a specialized process to procure and assemble the custom equipment. As a result of the customization, the equipment is not immediately available from other vendors and may take time to repair or replace if it were damaged to a great extent or stopped working. Inability to make timely repair of replacement of such equipment can result in disruption to our production activities, which in turn may have a material and adverse effect on our prospects, business, results of operations and financial condition.

Increases in costs or the shortage of supply of our raw materials from our suppliers could decrease our profitability.

The cost of raw materials constitutes the majority of our cost of sales. In 2023, 2024 and 2025, our cost of raw materials amounted to RMB4,995.3 million, RMB5,919.2 million and RMB7,359.0 million, respectively, accounting for 60.4%, 60.5% and 61.4%, respectively, of our cost of sales in the corresponding periods. For the four months ended April 30, 2025 and 2026, our cost of raw materials amounted to RMB2,171.7 million and RMB2,729.3 million, respectively, accounting for 60.4% and 62.9%, respectively, of our cost of sales in the corresponding periods. Our results of operations are influenced by the availability and price volatility of key raw materials used in our production, especially copper-related materials, which together represent a significant portion of our product costs. We must obtain sufficient quantities of high-quality raw materials at acceptable prices and in a timely manner in order to manufacture our products. The main raw materials used in the manufacture of our PCB products include copper-clad laminates, copper foil and copper anode ball. The pricing of raw materials can be volatile and difficult to predict. The volatility in pricing is often attributable to factors beyond our control, including changes in general economic conditions, currency exchange rates, industry cycles and production levels. During the Track Record Period, the prices of copper increased significantly. There can be no assurances that the price of our raw materials will not fluctuate or significantly increase in the future. If the price of raw materials increases and we are not able to compensate for or pass on such increased costs to customers, our profitability and financial results may be adversely affected.

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

If we experience increases in labor costs, shortage of skilled labor or deterioration in labor relations, our production costs may be affected.

Labor costs have been fluctuating and may rise in the future. In 2023, 2024 and 2025, our cost of labor amounted to RMB1,263.1 million, RMB1,477.7 million and RMB1,853.8 million, respectively, accounting for 15.3%, 15.1% and 15.4%, respectively, of our cost of sales in the corresponding periods. For the four months ended April 30, 2025 and 2026, our cost of labor amounted to RMB576.8 million and RMB664.0 million, respectively, accounting for 16.0% and 15.3%, respectively, of our cost of sales in the corresponding periods. Labor cost increases may cause our production costs to increase, and we may not be able to pass on such increases to our customers. We also cannot assure you that we will not experience any shortage of labor, especially skilled roles such as production management and quality control, which are critical to maintaining efficient operations and meeting customer specifications. Any such shortage could hinder our ability to maintain our production schedules and maintain or expand our business operations, which could materially and adversely affect our business, financial condition, results of operations and prospects.

We seek to maintain favorable labor relations with our employees as we believe that our long-term growth depends on the expertise, experience and development of our employees. For details of our employee training efforts and welfare, see "Business — Employees" for further details. However, we cannot assure you that we will not have any labor disputes in the future. Any deterioration of our labor relations could result in disputes, strikes, claims, legal proceedings and reputational damage, labor shortages that disrupt our business operations, as well as loss of experience, know-how and trade secrets.

The changes in diplomatic and international trade relationships, and tariff policies could negatively affect our operating results and cause fluctuations in demand for our products.

We operate within a global supply chain, and our products are sold globally as part of various end products. As such, we face risks associated with diplomatic and international trade relationships, and tariff policies.

Shifting policy stances, new tariffs, trade restrictions, or changes to regulatory frameworks may continue to exacerbate these uncertainties, particularly in environments where trade policy is frequently used as a tool of foreign policy and subject to sudden reversals. Ongoing trade tensions, particularly between the United States and China, have resulted in frequent tariff actions, contracting restrictions on imports from foreign entities of concern (FEOC), export controls, and other restrictions affecting high-technology goods, semiconductors, and electronics. These measures, along with the tariff fluctuations by both countries in 2025 and 2026, create uncertainty for exports and could adversely affect our sales to the U.S. market. See "Regulatory Overview — Laws and Regulations in the United States — U.S. Tariffs." Unfavorable trade policies, including tariffs, capital controls, or changes to existing agreements, may reduce demand for our products, impair our competitiveness, limit market access, or negatively impact our business, financial condition, and results of operations. Further escalation in U.S.-China relations could also disrupt global economic conditions with adverse effects on our operations. During the Track Record Period, the Group's products imported into the U.S. were subject to Section 301 tariffs and IEEPA tariffs. The IEEPA tariffs were held invalid by the U.S. Supreme Court as of February 20, 2026, and a 10% Section 122 global tariff was imposed effective as of February 24, 2026 for a period of no more than 150 days. For details of the U.S. tariffs applicable to our Group and the latest U.S. tariff policies, see "Business — Tariff, Trade Restriction and Export Control Implications." Under most of our transactions with U.S. customers, our U.S. customers are responsible for import taxes and tariffs. In addition, the direct U.S. sales only accounted for approximately 3% of our total revenue in each year/period during the Track Record Period. In light of the above, the Directors are of the view that U.S. tariffs do not have a material impact on the Group's business operations and financial performance.

Tariff policies remain fluid and their scope and implementation are uncertain. Additional tariffs may raise the cost of end products in the U.S. and diminish their competitiveness. Customers may attempt to pass these costs on to us or to their own customers. Even if not directly passed through, reduced competitiveness of our customers' products could lead to decreased orders, and broader tariff impacts could weaken economic conditions in China and other markets, adversely affecting our business.

Our operations and financial performance may also be affected by political developments and shifting diplomatic relationships in the regions where we operate. Political instability — such as government changes, civil unrest, or leadership transitions — can disrupt supply chains, operations, and customer demand. Changes in diplomatic ties may alter trade policies, tariffs, or sanctions, affecting our ability to import or export products.

We are subject to the risks associated with sanctions and export controls laws and regulations, international trade policies, and developing domestic and foreign laws and regulations, and our business, financial condition and results of operations could be adversely affected.

Our operations may be negatively affected by trade policies, sanctions and export controls regulations administered by the government authorities in the countries in and with which we operate, including, but not limited to, increased duties, taxes and other costs. Margins on sales of our products in certain countries and on sales of products that include components obtained from certain foreign suppliers could be materially and adversely affected by international trade regulations, including custom duties, tariffs and anti-dumping penalties. In addition to trade policy measures, the United States and certain other governments have imposed sanctions and export controls measures that directly or indirectly affect China-based technology companies. See "Regulatory Overview — Laws and Regulations in the United States — U.S. Export Control Laws and Regulations" for more details. These types of laws and regulations may be subject to frequent changes, and their implementation, interpretation and enforcement involve substantial uncertainties, which may be heightened by potential national security concerns or other factors that are out of our control. Similar or more expansive restrictions may be imposed by different jurisdictions in the future. We will need to maintain heightened internal control and risk management policies to ensure sound compliance with such restrictions, which requires significant resources and efforts. Furthermore, such potential restrictions may materially and adversely affect our and our technology partners' abilities to acquire technologies, systems, devices or components that may be critical to our products and our business operations. Any of these developments could affect us, our customers and/or suppliers or economic conditions generally, any of which could adversely affect our business and financial condition.

In addition to the restrictions introduced by the rules imposed by the United States Bureau of Industry and Security ("**BIS**"), BIS maintain lists of persons that are subject to enhanced export control restrictions. Such list, known as the Entity List, includes a list of foreign persons, including business, research institutions, government and private organizations, individuals and other types of legal persons, on which certain trade restrictions and licensing requirements for certain technologies and goods are imposed. The United States in recent years has placed an increasing number of entities, including a number of entities in China, on the Entity List and other restricted or prohibited parties lists. During the Track Record Period, certain of our customers were listed on the Entity List. As advised by our U.S. export control and sanctions counsel, the products we manufactured for these customers during the Track Record Period were not subject to the United States Export Administration Regulations (the "**EAR**") and therefore an U.S. export license is not required for us to supply our products to these customers. Given the sudden and unpredictable nature of these determinations, it is difficult to predict developments in this area and we have no ability to influence such determinations.

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

If new sanctions and export controls measures were to include a complete or more restrictive ban on products sales to certain entities, it could impact not only our ability to continue supplying our products to affected customers, but could also negatively affect our customers' demand for our products, and could even lead to changes in supply chains of our products, to the extent they involve the use of items subject to the EAR or other applicable regulations. As our products become more technologically advanced, there is also a greater likelihood of sanctions and export controls regulations restricting our ability to obtain the components or technologies necessary to produce them or otherwise to export or transfer our products. Even if our products are not directly targeted by these types of sanctions and export controls, we may nonetheless face higher costs and expenses in our supply chain due to new sanctions and export controls measures as our customers and business partners may be negatively affected by sanctions and export controls measures directed at China.

Our products are offered to our customers in the Chinese mainland and overseas. However, we cannot assure you that our customers will not engage in the export of their goods incorporating our products into the U.S. or other countries and regions, and that such export will not be subject to the restrictions introduced by the U.S. or other states and political entities. Furthermore, if our customers export their products integrated with our products to the countries and regions which are or become subject to sanctions or export controls, our products may be banned, our customers may reduce or cancel the purchase orders on our products and our business, financial condition and results of operations may be materially and adversely affected.

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

On October 28, 2024, the U.S. Department of the Treasury ("**Treasury**") issued a final rule, codified in the United States Code of Federal Regulations at 31 C.F.R. part 850, to implement the Executive Order 14105 of August 9, 2023 (the "**Final Rule**"), which became effective on January 2, 2025. The Final Rule imposes investment prohibition and notification requirements on U.S. persons for a wide range of investments in entities associated with China (including Hong Kong and Macau) that are engaged in activities relating to three sectors: (i) semiconductors and microelectronics, (ii) quantum information technologies, and (iii) artificial intelligence systems, collectively defined as "Covered Foreign Persons." U.S. persons subject to the Final Rule are prohibited from making, or required to report, certain investments in Covered Foreign Persons, which are defined as "Covered Transactions," and include certain acquisitions of an equity interest, certain debt financing, joint ventures, and certain investments as a limited partner in a non-U.S. person pooled investment fund. The Final Rule contains exceptions for certain investments, including those in publicly traded securities, except when the U.S. person investor secures rights that go beyond standard minority shareholder protections. On December 23, 2025, the Treasury published additional frequently asked questions ("**FAQs**") on the Final Rule. One of these FAQs (X. 4) provides that absent additional facts, when a U.S. person acquires an equity interest in a "covered foreign person", and at the time of such acquisition the equity interest is publicly traded, such security falls under the description of a "publicly traded security" in 31 C.F.R. §850.501(a)(1)(i), regardless of when an agreement to make its investments is entered into. The Final Rule may introduce new hurdles and uncertainties for cross-border collaborations, investments, and funding opportunities of China-based issuers including us. As advised by our U.S. export control and sanctions counsel, we believe that although the Company is a "Person of a Country of Concern" as defined under the Final Rule, none of the Group's business activities fall under the definition of "Covered Activities" because the Group is primarily engaged in the research and development, production and sales of PCB, and does not engage in the design, fabrication or packaging of integrated circuits or other activities covered by "prohibited transactions" and "notifiable transactions" in the semiconductors and microelectronics sector under the Final Rule. In addition, the Group does not engage in any "Covered Activities" with respect to artificial intelligence systems, supercomputers, quantum computers and systems as specified in the Final Rule. Therefore, none of the Group is deemed as a "Covered Foreign Person" under the Final Rule. Accordingly, an investment by a "U.S. person" in the H Shares of the Company is not a "Covered Transaction", and neither prohibited nor subject to the notification requirements under the Final Rule. In light of the above, the Directors are of the view that the Final Rule does not have any material adverse impact on the Group's operation and financial performance. However, we cannot assure you that the U.S. authorities will not take a different view on the applicability of the Final Rule. Furthermore, persist changes in both U.S. and non-U.S. jurisdictions to foreign investment laws and rules could adversely affect our strategic initiatives, financial performance and growth prospects.

On February 21, 2025, U.S. President issued a memo entitled the "America First Investment Policy" (the "**America First Memo**"), indicating that Executive Order 14105 is under review and the Trump Administration will consider new or expanded restrictions, such as broadening the sectors to which the Final Rule is applicable. On December 18, 2025, U.S. President Trump signed into law the Fiscal Year (FY) 2026 National Defense Authorization Act ("**NDAA**"), which includes the Comprehensive Outbound Investment National Security Act of 2025 ("**COINS Act**"). The COINS Act largely codifies the core of the current Final Rule while making certain modifications. The COINS Act requires the U.S. Treasury Department to, within 450 days from passage, promulgate new or amended regulations to implement the law. The application and implication of the Final Rule, the policies covered by the America First Memo, NDAA and any related policies, laws and regulations are complex, and they may be changed and updated from time to time. Future changes in the Final Rule, the America First Memo and any related policies, laws and regulations or their interpretations, or any similar or more expansive restrictions imposed by the U.S. or other jurisdictions, may result in additional costs on our business, limit our ability to raise capital or contingent equity capital from U.S. investors and other sources that may otherwise be beneficial to us, or restrict the ability of U.S. persons to purchase or hold our securities, which could adversely affect our performance, financial condition, prospects, and the value of our H Shares.

We have been investing, and intend to continue to invest, in our R&D but such investments may not yield the results we expect.

We are in a technology-intensive industry with rapid technological development and rapid iteration. We have also adhered to original technological development and have been investing in R&D. Our R&D expenses were RMB600.7 million, RMB757.6 million and RMB929.9 million in 2023, 2024 and 2025, respectively. For the four months ended April 30, 2025 and 2026, our R&D expenses amounted to RMB272.3 million and RMB280.7 million, respectively. In the future, we will continue to invest in multiple R&D projects for higher density, higher performance and more environmental friendly PCB products. Certain of our R&D projects are characterized by large capital investment, high technical difficulty and long project cycle.

We may encounter challenges in adapting our products to new technologies. The transition of our products to new process may require us from time to time to modify the design and manufacturing processes for our products. We may face difficulties and delays and incur increased expense as we migrate to new designs and production processes, which in turn may result in delays in product deliveries. We may need to invest significant resources in R&D to advance our technologies to remain competitive in the market. Furthermore, R&D activities are inherently uncertain. There can be no assurance that we will continue to achieve technological breakthroughs and successfully commercialize such breakthroughs. As a result, our expenditure on R&D may not generate corresponding benefits. If our R&D efforts fail to keep up with the latest technological developments, we will suffer a decline in our competitive position. In addition, if we fail to accurately grasp the market development trend or meet the needs of our customers, or our future R&D investment is insufficient, our R&D projects may be unable to yield the results we expect. This may materially adversely affect our business development, financial condition and results of operations.

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

We operate restricted share incentive scheme and stock option incentive plan for the purpose of providing incentives and rewards to eligible participants who contribute to the success of our operations. Our employees receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments. In 2023, 2024 and 2025, we incurred share-based payment expenses of RMB11.9 million, RMB87.1 million and RMB134.0 million, respectively. For the four months ended April 30, 2025 and 2026, we incurred share-based payment expenses of RMB53.0 million and RMB33.3 million, respectively. To further incentivize our employees, we may adopt other equity incentive plans and award additional equity incentives in the future. Issuance of Shares with respect to our equity incentive plan may dilute the shareholding of our existing shareholders and incur substantial share-based compensation that could have a material and adverse impact on our results of operations.

Our financial results are affected by fluctuations in foreign currency exchange rates.

Our Company and several of our subsidiaries have foreign currency sales, trade and other receivables, cash and bank balances, trade and other payables, and borrowings which expose us to foreign currency risk. Such foreign currencies include the U.S. dollar, euro, Hong Kong dollar and Thai baht. Our reporting currency is the Renminbi, which is our Company's functional currency. Foreign currency transactions recorded by the entities in our Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Gains and losses on the conversion to Renminbi of revenues and other associated monetary assets and liabilities, as well as profits and losses incurred in certain countries, may contribute to fluctuations in the value of our assets and our results of operations. We also have costs and expenses that are denominated in foreign currencies. Fluctuating values between the Renminbi and other currencies can result in currency gains which are used in the computation of foreign taxes and can increase foreign taxable income. Foreign exchange differences arising on settlement or translation of monetary items are recognized in profit or loss. In 2023 and 2024, we recorded net foreign exchange gain of RMB32.1 million, RMB46.0 million, respectively. We recorded net foreign exchange loss of RMB28.2 million in 2025. For the four months ended April 30, 2025 and 2026, we recorded net foreign exchange gain of RMB49.7 million and net foreign exchange loss of RMB79.7 million, respectively. As we continue to expand our international operations, we will become increasingly exposed to the effects of fluctuations in currency exchange rates.

In addition, as the net proceeds from the Global Offering will be in Hong Kong dollar, fluctuations in the exchange rate between the Renminbi and the Hong Kong dollar will affect the relative purchasing power in Renminbi in terms of the proceeds from the Global Offering. In addition, appreciation or depreciation in the value of the Renminbi relative to the Hong Kong dollar or U.S. dollar would affect our financial results in Hong Kong dollar or U.S. dollar terms without giving effect to any underlying change in our business or results of operations.

Movements in Renminbi exchange rates are affected by, among other things, changes in political and economic conditions and China's foreign exchange regime and policy. With the development of the foreign exchange market and progress towards interest rate liberalization and Renminbi internationalization, the PRC government may in the future announce further changes to the exchange rate system, and we cannot assure you that the Renminbi will not appreciate or depreciate significantly in value against other currencies in the future. It is difficult to predict how market forces or relevant government policies may impact the exchange rate between the Renminbi and other currencies in the future.

We are exposed to fair value changes for financial assets at fair value through profit or loss and debt investments at fair value through other comprehensive income.

As part of our investment strategies, we invested in various financial assets to enhance our income without interfering with our normal business operation and capital expenditures. As of April 30, 2026, our financial assets at fair value through profit or loss amounted to RMB122.6 million. We hold wealth management products issued by banks in the Chinese mainland, which are classified as financial assets at fair value through profit or loss. Factors beyond our control can significantly influence and cause adverse changes to the estimates and thereby affect the fair value. These factors include, but are not limited to, general economic conditions, changes in market interest rates and credit risks. We also hold equity investments in listed companies. Such equity investment is classified as financial assets at fair value through profit or loss, and their fair value is measured by the quoted market price of the shares. The price of these securities may fluctuate with changes in market conditions as well as the performance and business prospects of these companies, among others, all of which are beyond our control. Any decrease in the prices of these securities will result in fair value losses on financial assets at fair value through profit or loss and may adversely affect our financial condition.

In addition, as of April 30, 2026, our debt investments at fair value through other comprehensive income amounted to RMB978.7 million, which were bills receivable arising from bank acceptance. Factors beyond our control can significantly influence and cause adverse changes to the estimates and thereby affect the fair value. These factors include, but are not limited to, credit and counterparty risk of accepting banks, liquidity and marketability risk, and interest rate and yield curve risk.

The valuation of fair value may involve a significant degree of judgement and assumptions which are inherently uncertain, and may result in material adjustment, which in turn may materially and adversely affect our business, financial condition and results of operations.

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

In order to operate our business effectively and meet our consumers' demands and expectations, we maintain a certain level of inventory to meet the customer needs and ensure timely delivery of our products. As of December 31, 2023, 2024 and 2025 and April 30, 2026, we had inventories of RMB1,364.0 million, RMB1,742.4 million, RMB2,515.6 million and RMB3,216.6 million, respectively. In 2023, 2024 and 2025 and the four months ended April 30, 2026, our inventory turnover days were 61 days, 58 days, 65 days and 79 days, respectively.

We determine our level of inventory based on historical sales performance, demand forecasts and supply chain capacity fluctuations. We cannot assure you that we are able to always maintain optimal inventory levels in the future. If we fail to accurately assess the customer demand, we may experience inventory obsolescence and inventory shortage risk. Inventory levels in excess of demand or substantial decrease in the expected market price of our products may result in inventory write-downs, which would have an adverse effect on our profitability. In 2023, 2024 and 2025, we recorded write-down of inventories to net realisable value of RMB48.2 million, RMB57.3 million and RMB65.7 million, respectively. For the four months ended April 30, 2025 and 2026, we recorded write-down of inventories to net realisable value of RMB21.5 million and RMB37.8 million, respectively. Furthermore, if we underestimate the demand for our products, we may not be able to have a sufficient number of products to meet such unanticipated demand, which could result in delays in the delivery of our products and negatively affect our reputation. Any of the above may materially and adversely affect our business, results of operations and financial conditions.

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

As of December 31, 2023, 2024 and 2025 and April 30, 2026, our trade and bills receivables amounted to RMB3,899.5 million, RMB4,351.8 million, RMB4,869.8 million and RMB4,679.6 million, respectively. Our trade and bills receivable turnover days were 129 days, 119 days, 110 days and 107 days in 2023, 2024, 2025 and the four months ended April 30, 2026, respectively.

Though we have purchased credit insurance for majority of our receivables, if the creditworthiness of our customers deteriorate, or if our customers delay payments beyond their respective credit period or if a significant number of our customers fail to settle their trade receivables in full for any reason, we may incur credit losses for receivables or recognize a higher allowance for doubtful accounts and our results of operations and financial position could be materially and adversely affected. There is no assurance that we will be able to fully recover our trade receivables from the customers or that they will settle our trade receivables in a timely manner. In the event that settlements from customers are not made on a timely manner, or at all, our financial position and results of operations may be materially adversely affected.

Investment in new business strategies, acquisitions and other forms of business integration could disrupt our ongoing business and present risks not originally contemplated, and we may be unable to realize the anticipated benefits, synergies, cost savings or efficiencies from acquisitions.

We have invested, and may invest in the future, in new business strategies or acquisitions. Endeavors of such kinds are inherently risky, and future ventures of such nature may involve significant risks and uncertainties, including distraction of our management from current business operations, greater than expected liabilities and expenses, inadequate return of capital and unidentified issues not discovered in our due diligence.

We may incur significant acquisition, administrative and other costs in connection with such transactions, including costs related to the integration of acquired businesses. These costs may include unanticipated costs or expenses, including post-closing asset impairment charges and legal, regulatory or contractual costs. In addition, upon completion of an investment or acquisition, we may allocate significant resources to the integration of the acquired business into our existing business to realize synergetic benefits. The integration process involves certain risks and uncertainties, some of which are outside our control, and we cannot assure you that we will be able to realize the anticipated benefits, synergies, cost savings or efficiencies. We may also experience difficulties integrating any investments, acquisitions or partnerships into our existing business and operations.

Our sales may be influenced by seasonality.

Demand for and sales of our products generally follow the same seasonality pattern as sales of the end products that incorporate our PCB products. For PCB products applied in AI infrastructure and automotive electronics, the seasonal pattern is less pronounced. For PCB products used in smart devices, we typically experience higher sales in the second half of the year due to the new product launch cycles of downstream end markets and increased shopping activities during the holiday season. Moreover, we typically record relatively lower sales and revenue in the first quarter due to the impact of the Spring Festival holiday. Accordingly, various aspects of our operations, including sales, working capital and operating cash flows, are exposed to the risks associated with seasonal fluctuations in the demand for our products, and our quarterly or half year results may not reflect our full year results.

Our operating history may not be a reliable predictor of our prospects and future results of operations.

We have experienced growth and expansion since our inception and over the Track Record Period. Our historical results may not provide a meaningful basis for evaluating our business, results of operations, financial condition and prospects. We may encounter unforeseen expenses, difficulties, complications, delays and other known and unknown factors, and may not be able to achieve promising results in future periods. We cannot assure you that we will be able to achieve similar results or grow at the same rates as we did in the past. Our revenue growth may slow down or even decline in the future for a number of reasons, including slowing demand for our products, intensified competition, material changes in technology, declining growth rate of our total addressable market and our failure to continue to take advantage of growth opportunities. Our future operating results will depend to a large extent on our ability to manage our expansion and growth successfully.

Our future profitability will depend on a variety of factors, including the expansion of our business, product mix, performances of our products, price of raw materials, competitive landscape, customer preference and macroeconomic and regulatory environment. Our net profits may be volatile in the future and we cannot assure you that we will achieve our intended profitability in the future.

We may not be able to effectively manage our growth and expansion, which could negatively impact our reputation, overall prospects and results of operations.

We have experienced rapid growth since our inception and plan to expand into new markets and geographic regions. Risks that we face in undertaking this expansion include, among others: managing a larger organization with a greater number of employees in different geographic locations; managing our supply chain to support fast business growth; controlling expenses and investments in anticipation of expanded operations; establishing or expanding R&D, sales and production facilities; implementing and enhancing administrative structure systems and processes; executing our strategies and business initiatives successfully; changes in prices of our products; addressing new markets and potentially unforeseen challenges as they arise; and improving our operational, financial and management controls, compliance programs and reporting systems.

If we fail to efficiently manage the expansion of our business or improve our operational efficiency, our costs and expenses may increase faster than we planned and we may not respond timely to competitive challenges or otherwise successfully execute our business strategies. Our product portfolio may change in the future, affecting our revenue mix and profit margin. Our growth requires financial resources and place significant demands on our management. If we fail to effectively manage the growth of our business and operations, our reputation, overall prospects and results of operations could be negatively impacted.

If we are not able to fully comply with present or future environmental, safety and occupational health laws and regulations, our business, financial condition and results of operations may be adversely affected.

Our business is subject to certain laws and regulations relating to environmental, safety and occupational health matters. See "Business — Environmental, Social and Governance." Under these laws and regulations, we are required to maintain safe production conditions and protect the occupational health of our employees. However, we cannot assure you that we will not experience any material accidents or worker injuries in the course of our production process in the future, or that our risk management measures could effectively mitigate the relevant risks and help us navigate the complex and evolving 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 reporting obligations, 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.

In addition, our production process produces hazardous waste and pollutants. The disposal of hazardous waste and the discharge of pollutants from our production operations into the environment may give rise to liabilities that may require us to incur costs to remedy such discharge. We cannot assure you that all situations that may give rise to material environmental liabilities will be discovered, or any environmental laws adopted in the future will not materially increase our operating costs and other expenses. Should the authorities impose stricter environmental protection standards and regulations in the future, we cannot assure you that we will be able to comply with such new regulations at reasonable costs, or at all. Any increase in production costs resulting from the implementation of additional environmental protection measures or failure to comply with new environmental laws or regulations may have a material adverse effect on our business, financial condition or results of operations.

Delivery delays, poor handling by third party logistics service providers or disruptions in the transportation network may adversely affect our business.

We use third party logistics service providers to deliver certain of our work-in-progress and finished products. As we do not have any direct control over these logistics service providers, we cannot guarantee their quality of services. If there is any delay in delivery, damage to products or any other issue due to transportation shortages, natural disasters, labor strikes or other factors, we may lose customers and sales, and our reputation may be negatively impacted. In addition, our suppliers sometimes deliver materials to us through third-party logistics service providers. Delays in delivery could adversely impact our suppliers' ability to deliver materials to us timely and as a result, our ability to deliver to our customers.

We may not be able to continue or extend relationships with our current logistics service providers on terms acceptable to us or establish relationships with new logistics service providers to ensure accurate, timely and cost-efficient delivery services. If we are unable to maintain or develop good relationships with logistics service providers, it may inhibit our ability to offer products in sufficient quantities, on a timely basis, or at prices acceptable to our customers. If there is any breakdown in our relationships with our logistics service providers, we may incur additional costs or suffer business interruptions that could materially and adversely affect our business, financial condition and results of operations.

Our information systems may experience system failures, interruptions or security breaches.

Our business operations rely on our information systems for various functions. These systems are critical for maintaining operational efficiency, data accuracy and timely decision-making. However, our information systems are subject to various risks, including system failures, cyber-attacks, data breaches and other security incidents. Any such event could disrupt our operations, compromise our data and result in significant remediation costs, legal liabilities and reputational damage. Furthermore, our information systems need to be regularly updated and upgraded to keep pace with technological advancements and changing business needs. These updates and upgrades require significant investment and may cause system disruptions or compatibility issues.

We also engage certain third-party service providers for the development, upgrade and maintenance of certain information systems. Any failure of these third-party service providers to meet their service obligations could affect the performance of our information systems. Furthermore, any breach of contract or termination of services by these third-party service providers could result in disruptions to the operation of our information systems and we may incur additional costs and experience delays in finding alternative service providers.

We may require additional funding to finance our operations, which may not be available or on terms acceptable to us.

To develop new products and technology, support future growth and achieve operating efficiencies in order to generate operating cashflows, we must make significant capital investments in procurements of equipment and R&D. From time to time, we may experience volatility in our cash flows and operating results. We have utilized external sources of financing when needed. We may need additional capital in the future to fund our continued operations, in addition to the use of our cash inflows from our operating activities. However, we may be unable to raise additional funds, whether through equity or debt financing, when needed on favorable terms or at all. If we do raise additional capital through public or private equity offerings, the ownership interest of our existing Shareholders, including investors in this offering, will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect our Shareholders' rights. If we raise additional capital through debt financing, we may be subject to covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. In addition, our credit rating may be affected by our liquidity, financial results, economic risk or other factors, which may increase the cost of future borrowings and make it difficult for us to obtain financing on terms acceptable to us or at all. There can be no assurance that we will be able to generate sufficient cash flows, access capital or credit markets, or find other sources of financing to fund our operations, make debt payments, pay dividend, and make adequate capital investments to remain competitive in terms of technology development and cost efficiency. Any failure to raise capital as and when needed could have a negative impact on our financial condition and on our ability to pursue our business plans and strategies.

Our business depends substantially on the continuing efforts of our senior management and our ability to attract and retain key employees.

Our business operations depend on the continuing efforts of our management, particularly the members of our senior management team. If one or more members of our senior management are unable or unwilling to continue serving in their present positions, we may not be able to replace them readily, or at all. As a result, our business may be severely disrupted, and we may incur additional expenses to recruit and retain new officers. In addition, if any member of our senior management joins a competitor or forms a competing company, we may lose some of our customers, and more importantly, our trade secrets. We protect our trade secrets by entering into confidentiality agreements, which contain the non-competition clauses, with each member of our senior management. However, we cannot assure you that, if any disputes arise between our senior management and us, these confidentiality clauses could be adequately enforced in our favor.

Our success also depends to a significant extent on the skills and efforts of our key managerial, technical, sales and other employees and upon our ability to continue to attract, retain and motivate qualified personnel. We compete with other companies for technical and other skilled employees, especially skilled roles such as production management and quality control, which are critical to maintaining efficient operations and meeting customer specifications. We cannot assure you that we will be able to continue to attract and retain qualified employees essential to our growth. The loss of the services of these key employees or the inability to attract or retain qualified employees could have a material adverse effect on us.

If we are unable to protect or promote our brand and reputation, our business could be materially adversely affected. Negative publicity or rumors about us, our products, our management, Directors, employees, Shareholders, customers, business partners or their affiliates or our industry in general may adversely affect our reputation and business.

We need to maintain and enhance our brand identity while increasing market awareness of the reputation of our business and products. The successful promotion of our brand will depend on our efforts to achieve widespread acceptance of our products, attract and retain customers, maintain our current market position, and successfully differentiate our offerings from those of competitors. These efforts require substantial expenditures. In 2023, 2024 and 2025, our selling and marketing expenses amounted to RMB192.1 million, RMB245.6 million and RMB288.2 million, respectively, accounting for 1.8%, 1.9% and 1.9% of our total revenue, respectively, for the same periods. For the four months ended April 30, 2025 and 2026, our selling and marketing expenses amounted to RMB85.7 million and RMB84.9 million, respectively, accounting for 1.9% and 1.6% of our total revenue, respectively, for the same periods. We anticipate expenses will increase as our market becomes more competitive and as we expand into new markets. Furthermore, these investments in brand promotion and thought leadership may not yield increased revenue. To the extent they do, the resulting revenue still may not be enough to offset the increased expenses we incur.

In addition, adverse publicity, with or without merits, relating to events or activities attributed to us, our management, Directors, employees, Shareholders, business partners or their affiliates, industry, or productions or services similar to ours, may tarnish our reputation and reduce the value of our brand. For instance, unfounded and adversarial statements or opinions could be misleading and harm our business and reputation. Given the delicate and complex nature of the industry that we operate in, we are vulnerable to such statements or opinions. If we fail to respond to such statements or opinions in a proper manner, our business reputation, financial condition and results of operations may be adversely affected. Moreover, our brand value depends on our ability to provide products that meet industry standards in our markets. Damage to our reputation and loss of brand equity may reduce demand for our products, have an adverse effect on our future financial results, or reduce the trading price of our Shares. Damage may also require additional resources to rebuild our reputation and restore the value of the brand. If we are unable to successfully enhance and protect our reputation, our business operations, results of operations, and financial condition could be materially and adversely affected.

Failure to protect our intellectual property or our proprietary technology could substantially harm our business. If we are unable to protect the confidentiality of our proprietary information and know-how, the value of our technology and products could be harmed significantly.

Our success and ability to compete depend in part upon our ability to protect our intellectual property. We rely on a combination of intellectual property rights, including patents, copyrights, trademarks, trade secrets and know-how, in China and other jurisdictions. As of April 30, 2026, we held (i) 409 granted patents, comprising 406 in Chinese mainland (including 273 invention patents) and three in overseas jurisdictions, and (ii) 63 trademarks, comprising 58 in the Chinese mainland and five in overseas jurisdictions. We also had 207 patent applications pending, comprising 206 in the Chinese mainland and one in overseas jurisdictions. See "Business – Intellectual Property" for details of our intellectual property. The steps we take to protect our intellectual property rights may not be adequate, particularly in foreign jurisdictions. The laws of some foreign countries do not protect our intellectual property rights as fully as the laws of other countries, and our ability to protect our intellectual property rights will differ per jurisdiction. Any patents we hold may not adequately protect our intellectual property rights or our products against competitors, and third parties may challenge the scope, validity or enforceability of our issued patents. Changes in either the patent laws or their interpretation in the relevant jurisdictions may diminish our ability to protect our inventions, obtain, maintain, defend and enforce our intellectual property rights and, more generally, could affect the value of our intellectual property or narrow the scope of our patent rights. In addition, other parties may independently develop similar or competing technologies designed around any patents or patent applications that we hold. There is no assurance that we are able to successfully apply and be granted new intellectual property rights in a timely and cost-effective manner in the future, as such applications are expensive and time-consuming. A failure to timely seek patent protection on products or technologies generally precludes us from seeking future patent protection on these products or technologies.

In addition to patents, we also rely on contractual protections with our customers, suppliers, employees and consultants, and we implement security measures designed to protect our trade secrets and know-how. However, we cannot assure you that these contractual protections and security measures will not be breached, that we will have adequate remedies for any such breach or that our customers, suppliers, employees or consultants will not assert rights to intellectual property or damages arising out of such contracts. The risk that other parties may breach confidentiality agreements or that our trade secrets become known or independently discovered by competitors could harm us by enabling our competitors, who may have greater experience and financial resources, to copy or use our trade secrets and other proprietary information in the advancement of their products, methods or technologies. The unauthorized use or disclosure of our trade secrets would impair our competitive position, thereby weakening demand for our products and harming our ability to maintain or increase our customer base.

We may initiate claims against third parties to protect our intellectual property rights if we are unable to resolve matters satisfactorily through negotiation. Litigation brought to protect and enforce our intellectual property rights could be costly, time-consuming and distracting to management. It could also result in the impairment or loss of portions of our intellectual property, as an adverse decision could limit our ability to assert our intellectual property rights, limit the value of our technology or otherwise negatively impact our business, financial condition and results of operations. Additionally, any enforcement of our patents or other intellectual property may provoke third parties to assert counterclaims against us. Our failure to secure, protect and enforce our intellectual property rights could materially harm our business.

We may face claims of intellectual property infringement, which could be time-consuming and costly to defend or settle, result in the loss of significant rights, harm our relationships with our customers, or otherwise materially adversely affect our business, financial condition and results of operations.

The PCB industry is characterized by companies that hold patents and other intellectual property rights and that vigorously pursue, protect and enforce intellectual property rights. These companies include patent holding companies or other adverse patent owners who have no relevant product revenue and against whom our own patents may provide little or no deterrence. From time to time, third parties may assert against us and our customers' patent and other intellectual property rights to technologies that are important to our business.

Claims that our products, processes or technology infringe third-party intellectual property rights, regardless of their merit or resolution, could be costly to defend or settle and could divert the efforts and attention of our management and technical personnel. We may also be obligated to indemnify our customers or business partners in connection with any such litigation, which could result in increased costs. Infringement claims also could harm our relationships with our customers and might deter future customers from doing business with us. If any such proceedings result in an adverse outcome, we could be required to: cease the production, use or sale of the infringing products, processes or technology; pay substantial damages for infringement; expend significant resources to develop non-infringing products, processes or technology, which may not be successful; license technology from the third-party claiming infringement, which license may not be available on commercially reasonable terms, or at all; cross-license our technology to a competitor to resolve an infringement claim, which could weaken our ability to compete with that competitor; or pay substantial damages to our customers to discontinue their use of or to replace infringing technology sold to them with non-infringing technology, if available. Any of the foregoing results could have a material adverse effect on our business, financial condition and results of operations.

Furthermore, our exposure to the foregoing risks may also be increased as a result of acquisitions of other companies or technologies. For example, we may have a lower level of visibility into the development process with respect to intellectual property or the care taken to safeguard against infringement risks with respect to the acquired company or technology. In addition, third parties may make infringement and similar or related claims after we have acquired technology that had not been asserted prior to the acquisition.

Legal proceedings and claims could have a material adverse effect on our business, results of operations, or financial condition.

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

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

We have obtained insurance to cover certain potential risks and liabilities. See "Business — Insurance" for details. However, insurance companies in the PRC and other jurisdictions in which we operate may offer limited business insurance products. As a result, we may not be able to acquire any insurance for all types of risks we face in our operations in the PRC and overseas, and our coverage may not be adequate to compensate for all losses that may occur, particularly with respect to loss of business or operations. This potentially insufficient coverage could expose us to potential claims and losses. Any business disruption, litigation, regulatory action, outbreak of epidemic disease, adverse weather conditions or natural disasters could also expose us to substantial costs and diversion of resources. There can be no assurance that our insurance coverage will be sufficient to cover us for any loss or that we will be able to successfully claim our losses under our current insurance policy on a timely basis, or at all. If we incur any loss that is not covered by our insurance policies, or the compensation amount is significantly less than our actual loss, our business, financial condition and results of operations could be materially and adversely affected.

We face risks associated with the misconduct of our suppliers and their employees and other related individuals.

Our business operations and reputation could be impacted by the conduct of our suppliers and their employees and other related individuals. It may not always be possible to prevent or detect misconduct by these individuals. The misconduct by these parties, including fraudulent activities, non-compliance with applicable laws and regulations, unethical business practices or any other actions that are inconsistent with our corporate policies and values, may subject us to potential liabilities and damage our reputation, decreased market share and potential difficulties in attracting and retaining customers.

Our operations in different parts of the world could be subject to natural disasters, health epidemics and other business disruptions, which could have a material adverse effect on our business, results of operations and financial condition.

Our business could be adversely affected by natural disasters or outbreaks of epidemics. These natural disasters, outbreaks of contagious diseases and other adverse public health developments in any market where we operate could severely disrupt our business operations by damaging our technology infrastructure or information technology system or impacting the productivity of our workforce, which may adversely affect our financial condition and results of operations.

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

Companies operating in the PRC are required to make certain social security premiums and housing provident fund contributions for their employees in the Chinese mainland. During the Track Record Period, we and certain of our PRC subsidiaries did not make adequate contribution to social insurance and housing provident funds for employees. See "Regulatory Overview — The PRC Laws, Regulations and Policies — Regulations Relating to Employment, Social Insurance and Housing Provident Fund" and "Business — Legal Proceedings and Compliance — Non-compliance Matters — Social Insurance and Housing Fund Contributions" for further details. While our PRC Legal Advisor is of the view that in the absence of collective employee complaints, litigations or arbitrations, the risk of us being penalized or required to make up payments by the relevant competent authorities with respect to the failure to provide full social insurance and housing provident fund contributions is remote under current policies, there is no assurance that our historical and current practices will at all times satisfy the relevant government authorities. Given the complexity and continuous amendments to these laws and regulations, any future non-compliance could expose us to penalties, employee compensation claims, or operational interruptions.

We may be subject to fines for failure to file some of our leases.

We lease properties primarily for our production use and office. As of the Latest Practicable Date, six of our lease agreements have not been registered and filed with the relevant real estate administration bureaus in the PRC. Although failure to do so does not in itself invalidate the leases, the lessors and the lessees may be exposed to potential fines if they fail to rectify such non-compliance within the prescribed time frame after receiving notice from the relevant PRC government authorities. The relevant government authorities may impose a fine ranging from RMB1,000 to RMB10,000 for each unfiled lease. We cannot assure you that the lessors will cooperate and complete the filing in a timely manner once we are required to do so. In the event that any fine is imposed on us for our failure to file our lease agreements, we may not be able to recover such losses from the lessors. 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. See "Business — Properties" for more details.

RISKS RELATING TO DOING BUSINESS IN THE JURISDICTIONS IN WHICH WE OPERATE

Changes in economic, political or social conditions or government policies in the markets in which we operate could have a material adverse effect on our business and results of operations.

We derive revenue from and operate in multiple jurisdictions. For example, a majority of our revenue is derived from our businesses in the PRC during the Track Record Period. Accordingly, our future prospects, business, results of operations and financial condition are, to a material extent, subject to economic, political and legal developments in the PRC. Moreover, if foreign governments implement laws or regulations restricting investment in Chinese entities and we are deemed to be subject to such restrictions, the investment and transactions in our Shares, our business prospects, results of operations, financial conditions and future capital raising may be adversely affected.

China's economy has experienced significant growth over the past decades. In recent years, the PRC government has implemented measures emphasizing the utilization of market forces in economic reform and the establishment of sound corporate governance practices in business enterprises. These economic reform measures may be adaptively adjusted from industry to industry or across different regions of the country.

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

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

We are subject to certain uncertainties embedded in the legal systems of some geographic markets where we operate. Laws and regulations that are recently enacted may not sufficiently cover all aspects of economic activities in such markets. Since local administrative and court authorities are authorized to interpret and implement statutory provisions and contractual terms, it may be difficult to evaluate the outcome of administrative and court proceedings and the level of legal protection we have in many of the geographic markets where we operate. Local courts may have discretion to reject the enforcement of foreign awards or arbitration awards. These uncertainties may affect our judgment on the relevance of legal requirements and our ability to enforce our contractual rights or claims. In addition, regulatory uncertainties may be exploited through unmerited or frivolous legal actions, claims concerning the conduct of third parties, or threats in attempt to extract payments or benefits from us.

We may be subject to additional regulatory requirements relating to new laws and regulations in connection with overseas listings issued by PRC government authorities.

On February 17, 2023, the CSRC issued the Trial Measures (March 31, 2023) and five supporting guidelines (the "**Overseas Listing Regulations**"). The Overseas Listing Regulations stipulate that issuers that meet the filing requirements shall fulfill the filing procedures within three working days after it makes an application for offering and listing in an overseas stock market. According to the Overseas Listing Regulations, we are required to fulfill the filing procedure with the CSRC within three working days after submitting the application documents to the overseas supervisory authorities to report relevant information. See "Regulatory Overview — Regulations on Securities and Overseas Listing" for more details.

The Overseas Listing Regulations may subject us to additional compliance requirements in the future, and we cannot assure you that we will be able to get clearance of our filing procedures under the Overseas Listing Regulations on a timely basis, or at all. Any failure on our part to fully comply with the new regulatory requirements may significantly limit or completely hinder our ability to continue to sell our securities to investors, cause significant disruption to our business operations, and severely damage our reputation, which could affect our financial condition and results of operations and cause our securities to decline in value.

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

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

Payment of dividends or gains from the sale or other disposition of our H Shares is subject to taxation under PRC law.

Non-PRC resident individual holders of H Shares whose names appear on the register of members of H Shares ("**Non-PRC Resident Individual Holders**") are subject to the PRC individual income tax on dividends received from us. Pursuant to applicable regulations, the tax rate applicable to dividends paid to Non-PRC Resident Individual Holders of H Shares varies from 5.0% to 20.0%, depending on whether there is any applicable tax treaty between the PRC and the jurisdiction in which the Non-PRC Resident Individual Holder of H Shares resides, as well as the tax arrangement between the PRC and Hong Kong, China. Non-PRC Resident Individual Holders who reside in jurisdictions that have not entered into tax treaties with the PRC are subject to a 20.0% withholding tax on dividends received from us. In addition, subject to the relevant PRC laws, Non-PRC Resident Individual Holders of H Shares are subject to individual income tax at a rate of 20.0% on gains realized upon the sale or other disposition of H Shares. Based on our knowledge, as of the Latest Practicable Date, the PRC tax authorities have not in practice sought to collect individual income tax on such gains. If such tax is collected in the future, the value of such individual holders' investments in H Shares may be materially and adversely affected.

Subject to the relevant PRC laws, a non-PRC resident enterprise is generally subject to CIT at a rate of 10% with respect to its PRC-sourced income, including dividends received from a PRC company and gains derived from the disposition of equity interests in a PRC company. This rate may be reduced under any special arrangement or applicable treaty between the PRC and the jurisdiction in which the non-PRC resident enterprise resides. Pursuant to applicable regulations, we intend to withhold tax at 10% from dividends payable to non-PRC resident enterprise holders of H Shares (including HKSCC Nominees). Non-PRC resident enterprises that are entitled to be taxed at a reduced rate under an applicable income tax treaty or arrangement will be required to apply to the PRC tax authorities for a refund of any amount withheld in excess of the applicable treaty rate. There are uncertainties as to the interpretation and implementation of the CIT Law and its implementation rules by the PRC tax authorities, including whether and how CIT on gains derived upon the sale or other disposition of H Shares will be collected from non-PRC resident enterprise holders of H Shares. If such tax is collected in the future, the value of such non-PRC resident enterprise holders' investments in H Shares may be materially and adversely affected.

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

During the Track Record Period, some of our subsidiaries were entitled to preferential income tax rates pursuant to the relevant tax regulations. For example, during the Track Record Period, certain entities within our Group enjoyed preferential EIT tax rate of 15% as they were High and New Technology Enterprise (HNTE). For details, see Note 10 to the Accountants' Report in Appendix I to this prospectus. We cannot guarantee that the preferential tax treatments and other incentives to which our PRC subsidiaries are currently entitled would be kept valid or successfully renewed. There can be no assurance that the local tax authorities will not, in the future, change their position and discontinue any of our current tax treatments. The discontinuation of any of our current tax treatments could materially increase our tax obligations and adversely impact our net income.

In addition, we recorded government grants of RMB124.3 million, RMB212.9 million, RMB144.2 million, RMB55.2 million and RMB18.5 million in 2023, 2024 and 2025 and four months ended April 30, 2025 and 2026, respectively, which mainly consist of non-recurring financial support or subsidies from government bodies as incentives for R&D projects. We cannot assure you that we will continue to receive and benefit from such grants in the future. If we are not qualified for receiving the government grants, our financial condition and results of operations may be materially adversely affected.

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

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

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

We are a company incorporated under the PRC laws, and a majority of our assets are located in the PRC. In addition, most of our Directors and senior management reside in the PRC. As a result, it may be complex for investors to effect service of process outside the Chinese mainland upon us, our Directors or senior management or to enforce judgments obtained against us in courts outside the Chinese mainland. A judgment of a court of another jurisdiction may be reciprocally recognized or enforced in the Chinese mainland only if the jurisdiction has a treaty with the Chinese mainland or if the jurisdiction has been otherwise deemed by the courts of the Chinese mainland to satisfy the requirements for reciprocal recognition, subject to the satisfaction of other requirements. However, the Chinese mainland is not a party to treaties providing for the reciprocal enforcement of judgments of courts with certain foreign countries such as the United States, and enforcement in the Chinese mainland of judgments of a court in these jurisdictions may consequently be difficult or impossible. On January 14, 2019, the Supreme People's Court and the Department of Justice under the Government of the Hong Kong Special Administrative Region signed the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region (《關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排》) (the "**2019 Arrangement**"). The 2019 Arrangement regulates, among others, the procedures and methods of the application for recognition or enforcement, the circumstances where the recognition and enforcement of a judgment shall be refused, and the approaches towards remedies for the reciprocal recognition and enforcement of judgments in civil and commercial matters between the courts in the Chinese mainland and those in Hong Kong. However, the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements between Parties Concerned (《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》) will remain applicable to a "choice of court agreement in writing".

We are subject to the currency exchange control system.

The conversion of Renminbi is subject to applicable laws and regulations in the PRC. It cannot be guaranteed that under a certain exchange rate, we will have sufficient foreign exchange to meet our foreign exchange requirements. Under the current PRC foreign exchange control system, foreign exchange transactions under the current account conducted by us, including the payment of dividends, do not require advance approval from the SAFE, subject to the satisfaction of other requirements.

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

RISKS RELATING TO THE GLOBAL OFFERING

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

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

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

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

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

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

The trading price and trading volume of our H Shares may be volatile and could fluctuate widely in response to factors beyond our control. The following factors, among others, may affect the trading volume and market price of our H Shares: (i) actual or anticipated fluctuations in our operating performance and revenue; (ii) our failure to execute our strategies; (iii) an unexpected business interruption resulting from operational breakdowns, natural disasters, or major changes in our key personnel or senior management; (iv) adverse market reaction to any indebtedness that we may incur or securities that we may issue in the future; (v) announcements of competitive developments, acquisitions or strategic alliances in our industry; (vi) potential litigation or regulatory investigations; (vii) general market conditions or other developments affecting us or our industry; (viii) changes or proposed changes in laws or regulations, or differing interpretations thereof, affecting our ability to obtain or maintain regulatory approval for our products; (ix) inadequate protection of our intellectual property rights or legal proceedings brought against us for infringement of third parties' intellectual property rights; (x) the operating and stock price performance of other companies in our industry; and (xi) the release of lock-up or other transfer restrictions on our outstanding H Shares or sales or perceived sales of H Shares by us or other Shareholders.

In particular, the performance and fluctuation of the market prices of other companies with business operations located mainly in the Chinese mainland that have listed their securities in Hong Kong may also affect the volatility in the price of and trading volumes for our H Shares. A number of the Chinese mainland-based companies have listed their securities, and some are in the process of preparing for listing their securities, in Hong Kong. Some of these companies have experienced significant volatility, including significant price declines after their initial public offerings. The trading performances of the securities of these companies at the time of or after their offerings may affect the overall investor sentiment towards the Chinese mainland-based companies listed in Hong Kong and consequently may impact the trading performance of our H Shares. Due to the lock-up requirement, the liquidity and trading volume of the H Shares in the short-term following the Global Offering may be significantly affected. These factors may significantly affect the market price and volatility of our H Shares, regardless of our actual operating performance.

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

If the Offer Price of our H Shares is higher than the net tangible book value per H Share of our H Shares immediately prior to the Global Offering, purchasers of our H Shares in the Global Offering will experience an immediate dilution in pro forma net tangible book value. If we issue additional H Shares in the future, purchasers of our H Shares in the Global Offering may experience further dilution in their shareholding percentage.

Our historical dividends may not be indicative of our future dividend policy, and there can be no assurance that we will declare and distribute any dividends in the future.

Our ability to declare future dividends will depend on the availability of dividends, if any, received from us and our other PRC operating subsidiaries. Under PRC law and the constitutional documents of our PRC operating subsidiaries, dividends may be paid only out of distributable profits, which refer to after-tax profits as determined under PRC GAAP less any recovery of accumulated losses and required allocations to statutory capital reserve funds. Any distributable profits that are not distributed in a given year are retained and become available for distribution in subsequent years. The calculation of our distributable profits under PRC GAAP differs in certain respects from the calculation under IFRS. Our Company and our PRC operating subsidiaries may not be able to pay a dividend in a given year if our Company or our PRC operating subsidiaries do not have distributable profits as determined under PRC GAAP even if they have profits as determined under IFRS. See "Financial Information — Dividends" and Note 11 to the Accountants' Report in Appendix I to this prospectus for more details.

We have incurred, and expect to continue to incur, significant capital expenditures to support our business growth and expansion strategy. Our capital expenditures were RMB1,434.1 million, RMB1,839.8 million and RMB2,767.6 million in 2023, 2024 and 2025, respectively, and RMB2,078.1 million for the four months ended April 30, 2026. Future capital expenditure requirements may reduce the cash available for dividend distributions if our operating cash flows, financing arrangements or other available financial resources are insufficient. If we raise additional debt financing, we may also be subject to covenants that limit or restrict its ability to make capital expenditures or declare dividends. Accordingly, our historical dividends may not be indicative of its future dividends, and we may not declare or pay dividends in the future at levels consistent with our historical payout ratios or at all.

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

You should not place any reliance on any information released by us on the Shanghai Stock Exchange.

As our A Shares are listed on the Shanghai Stock Exchange, we have been subject to periodic reporting and other information disclosure requirements in the Chinese mainland. As a result, from time to time, we publicly release information relating to us on the Shanghai 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 the Chinese mainland, which are different from those applicable to the Global Offering. The presentation of financial and operational information for the Track Record Period disclosed on the Shanghai Stock Exchange or other media outlets may not be directly comparable to the financial and operational information contained in this document. As a result, prospective investors in our H Shares should be reminded that, in making their investment decisions as to whether to purchase our H Shares, they should rely only on the financial, operating and other information included in this 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.

Future sales or perceived sales of substantial amounts of our H Shares in the public market could have a material adverse effect on the price of our H Shares and our ability to raise additional capital in the future.

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

Our Controlling Shareholders may have substantial influence over the Company and their interests may not be aligned with the interests of other Shareholders.

Our Controlling Shareholders have significant influence over our operations and business strategies, and may have the ability to require our Group to effect corporate actions according to their own desires by virtue of their shareholding in our Group. The interests of our Controlling Shareholders may not always coincide with the best interests of other Shareholders. If the interests of any of our Controlling Shareholders conflict with the interests of other Shareholders, or if any of our Controlling Shareholders chooses to cause our business to pursue strategic objectives that conflict with the interests of other Shareholders, our Group or those other Shareholders' interests may be adversely affected as a result.

In addition, there is no guarantee that the Controlling Shareholders will not dispose of their Shares following the expiration of their respective lock-up periods after the Global Offering. We cannot predict the effect, if any, of any future sales of the Shares by any of its Controlling Shareholders, or that the availability of the Shares offered by any of the Controlling Shareholders for purchase may have on the market price of the Shares. Sales of a substantial number of Shares by any of our Controlling Shareholders or the market perception that such sales may occur could materially and adversely affect the prevailing market price of the Shares.

Certain facts, forecasts and statistics contained in this document are derived from various government official sources and may not be accurate, reliable, complete or up to date.

Certain facts, forecasts and statistics in this document relating to the PRC and global economy and the industries in which we operate are obtained from official government publications that we believe are reliable. We believe that the sources of the said information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. However, there can be no guarantee of the quality or reliability of these sources. Neither we, the Joint Sponsors nor our or their respective affiliates or advisors have verified the facts, forecasts and statistics nor ascertained the underlying economic assumptions obtained from these sources. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics in this document relating to the PRC, the global economy and the industry in which we operate may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. As such, no representation as to the accuracy of such facts, forecasts and statistics obtained from various sources is made. Moreover, these facts, forecasts and statistics involve risk and uncertainties and are subject to change based on various factors and should not be unduly relied upon. Furthermore, there can be no assurance that they are stated or compiled on the same basis, or with the same degree of accuracy. Therefore, you should not unduly rely upon the industry facts, forecasts and statistics contained in this document.

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

The trading market for our H Shares will depend in part on the research and reports that securities or industry analysts publish about us or our business. If research analysts do not establish and maintain adequate research coverage or if one or more of the analysts who covers us downgrades our H Shares or publishes inaccurate or unfavorable research about our business, the market price for our H Shares would likely decline. If one or more of these analysts cease coverage of our Company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which, in turn, could cause the market price or trading volume for our H Shares to decline.

You should read the entire document carefully and should not rely on any information contained in press articles or other media relating to us, our H Shares or the Global Offering.

We strongly caution you not to rely on any information contained in press articles or other media regarding us and the Global Offering. Prior to the publication of this prospectus, there has been press and media coverage regarding us, our business, our industry and the Global Offering. There may be additional media coverage regarding us, our business, our industry and the Global Offering subsequent to the date of this prospectus but prior to the completion of the Global Offering. Such press and media coverage may include references to certain information that does not appear in this prospectus, including certain operating and financial information and projections, valuations and other information. None of us or any other person involved in the Global Offering has authorized the disclosure of any such information in the press or media and none of us accepts any responsibility for any such press or media coverage or the accuracy or completeness of any such information or publication. Our Company, the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of our and their respective directors, supervisors, officers, representatives, employees, advisors or any other persons or parties involved in the Global Offering make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information is inconsistent or conflicts with the information contained in this prospectus, our Company, the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of our and their respective directors, supervisors, officers, representatives, employees, advisors or any other persons or parties involved in the Global Offering disclaim responsibility for it, and you should not rely on such information.

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

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

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 (Cap 571V of the Laws of Hong Kong) and the Listing Rules for the purpose of giving information to the public with regard to our Group. Our Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this prospectus misleading.

CSRC FILING

According to the Trial Measures, we are required to complete the filing procedures with the CSRC in connection with the proposed Listing. We have submitted the filing application for the Listing to the CSRC within three business days after our initial application for listing of the H Shares on the Hong Kong Stock Exchange. The CSRC issued a notice of filing dated June 22, 2026 for the Global Offering and the listing of our H Shares on the Hong Kong Stock Exchange.

INFORMATION ON THE GLOBAL OFFERING

This prospectus is published solely in connection with the Hong Kong Public Offering, which forms part of the Global Offering. The Global Offering comprises the Hong Kong Public Offering of initially 7,294,500 Offer Shares and the International Offering of initially 65,649,800 Offer Shares (subject to, in each case, reallocation on the basis referred to in "Structure of the Global Offering" in this prospectus).

The listing of our H Shares on the Stock Exchange 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 pursuant to the Hong Kong Underwriting Agreement, subject to us and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) agreeing on the Offer Price. The International Offering is expected to be fully underwritten by the International Underwriters pursuant to the terms of the International Underwriting Agreement which is expected to be entered into on or around the Price Determination Date. For further information regarding the Underwriters and the Underwriting Agreements, see "Underwriting" in this prospectus.

The Offer Shares are offered solely on the basis of the information contained and representations made in this prospectus and on the terms and subject to the conditions set out herein and therein. 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 Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Market Intermediaries, any of their respective directors, officers, employees, advisers, agents or representatives, or any other persons or parties involved in the Global Offering.

The Offer Price is expected to be determined between the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company on the Price Determination Date. The Price Determination Date is expected to be on or around Friday, September 25, 2026. If, for any reason, the Offer Price is not agreed among us and the Overall Coordinators (for themselves and on behalf of the Underwriters) at or before 12:00 noon on Friday, September 25, 2026, the Global Offering will not proceed and will lapse.

For further information about the Underwriters and the underwriting arrangements, please refer to the section headed "Underwriting" in this prospectus.

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

STRUCTURE OF THE GLOBAL OFFERING

For details of the structure of the Global Offering (including its conditions), see "Structure of the Global Offering" and "Underwriting" 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/her acquisition of Hong Kong Offer Shares to, confirm that he/she is aware of the restrictions on the offer and sale of the Hong Kong Offer Shares described in this prospectus.

No action has been taken to permit a public offering of the Offer Shares or the distribution of this prospectus in any jurisdiction other than Hong Kong. Accordingly, without limitation to the following, this prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation for subscription. The distribution of this prospectus and the offering and sale of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom. In particular, the Offer Shares have not been offered and sold, and will not be offered and sold, directly or indirectly, in the PRC or the United States.

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

We have applied to the Hong Kong Stock Exchange for the granting of listing of, and permission to deal in, our H Shares to be issued pursuant to the Global Offering.

Dealings in the H Shares on the Hong Kong Stock Exchange are expected to commence on Tuesday, September 29, 2026. Save as otherwise disclosed in this prospectus, no part of our Shares or loan capital is listed on or dealt in on any other stock exchange, and no such listing or permission to list is being or proposed to be sought as of the Latest Practicable Date.

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

H SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the H Shares on the Stock Exchange and our compliance with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the H Shares on the Hong Kong Stock Exchange or any other date as determined by HKSCC. Settlement of transactions between participants of the Hong Kong Stock Exchange is required to take place in CCASS on the second settlement day after any trading day.

All activities under CCASS are subject to the General Rules of HKSCC and 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.

PROCEDURES FOR APPLICATION FOR HONG KONG OFFER SHARES

The procedures for applying for Hong Kong Offer Shares are set out in "How to Apply for Hong Kong Offer Shares" in this prospectus.

H SHARE REGISTER OF MEMBERS AND STAMP DUTY

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

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

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

PROFESSIONAL TAX ADVICE RECOMMENDED

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

EXCHANGE RATE CONVERSION

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

Unless indicated otherwise, (i) the translations between Renminbi and U.S. dollars were made at the rate of RMB6.7743 to US$1.00, (ii) the translations between Hong Kong dollars and Renminbi were made at the rate of RMB0.8638 to HK$1.00, and (iii) the translations between U.S. dollars and Hong Kong dollars were made at the rate of HK$7.8421 to US$1.00.

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

LANGUAGE

If there is any inconsistency between the English version of this prospectus and the Chinese translation of this prospectus, the English version of this prospectus shall prevail unless otherwise stated. However, the English translations of the names of the PRC entities, enterprises, nationals, facilities and regulations in Chinese included in this prospectus are for identification purposes only. To the extent there is any inconsistency between the Chinese names of the PRC entities, enterprises, nationals, facilities and regulations and their English translations, the Chinese names shall prevail. In addition, if there is any inconsistency between the names of any of the entities mentioned in the English version of this prospectus which are not in the English language and their English translations, the names in their respective original language shall prevail.

ROUNDING

Certain amounts and percentage figures included in this prospectus have been subject to rounding adjustments or rounded to a set number of decimal places. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them and figures rounded to the nearest thousand, million or billion may not be identical to figures that have been rounded differently to them. Any discrepancies in any table, chart or elsewhere between totals and sums of amounts listed therein are due to rounding.

In preparation for the Listing, we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules.

WAIVER IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 and Rule 19A.15 of the Listing Rules, an issuer must have a sufficient management presence in Hong Kong. This will normally mean that at least two of its executive directors must be ordinarily resident in Hong Kong.

Given that (i) our Group's management headquarters, senior management, business operations and assets are primarily based outside of Hong Kong; (ii) our executive Directors and members of the senior management team principally reside in mainland China; and (iii) the management and operations of the Company have been mainly under the supervision and guidance of our executive Directors and senior management team, who are principally responsible for the overall management, corporate strategy, planning, business development and control of the Group's businesses and it is important for them to remain in close proximity to the Group's operations located in the mainland China, the Directors consider that the appointment of executive directors who will be ordinarily resident in Hong Kong would not be beneficial to, or appropriate for, our Group and therefore would not be in the best interests of our Company or the Shareholders as a whole. For the above reasons, we do not have, and do not contemplate in the foreseeable future that we will have, sufficient management presence in Hong Kong for the purpose of satisfying Rule 8.12 and Rule 19A.15 of the Listing Rules.

Accordingly, we have applied for, and the Stock Exchange has granted us, a waiver from strict compliance with Rule 8.12 and Rule 19A.15 of the Listing Rules. We will ensure that there is an effective channel of communication between the Stock Exchange and us by way of the following arrangements:

(a) pursuant to Rule 3.05 of the Listing Rules, we have appointed and will continue to maintain Mr. Liu Yu, our executive Director, and Ms. Ye Jiahong, our joint company secretary as our authorized representatives (together, the "**Authorized Representatives**") who shall act at all times as the principal channel of communication with the Stock Exchange upon Listing. Each of our Authorized Representatives will be readily contactable by the Stock Exchange by telephone, facsimile and/or email (where available) to deal promptly with enquiries from the Stock Exchange and will be able to meet with the Stock Exchange within a reasonable time frame on request. Each of our Authorized Representatives is authorized to communicate on our behalf with the Stock Exchange. Our Company will also inform the Stock Exchange promptly in respect of any change in our Authorized Representatives;

(b) each of our Authorized Representatives has means to contact all 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. Pursuant to Rule 3.20 of the Listing Rules, each Director will provide his/her contact information (including telephone number, mobile phone number and/or email address (where available)) to the Stock Exchange and to the Authorized Representatives. This will ensure that the Stock Exchange and the Authorized Representatives should have means for contacting all Directors promptly at all times as and when required;

(c) we will endeavor to ensure that each Director who is not ordinarily resident in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period;

(d) pursuant to Rule 3A.19 of the Listing Rules, we have appointed Lego Corporate Finance Limited as our Compliance Advisor, who will act as an additional channel of communication with the Stock Exchange from the Listing Date to the date when our Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year immediately following the Listing Date. The Compliance Advisor will maintain constant contact with the Authorized Representatives, Directors and senior management of our Company through various means, including regular meetings and telephone discussions whenever necessary. Our Authorized Representatives, Directors and other members of the senior management of our Company will promptly provide such information and assistance as the Compliance Advisor may reasonably require in connection with the performance of the Compliance Advisor's duties as set forth in Chapter 3A of the Hong Kong Listing Rules; and

(e) meetings between the Stock Exchange and our Directors will be arranged through the Authorized Representatives or the Compliance Advisor, or directly with our Directors within a reasonable time frame. We will inform the Stock Exchange promptly in respect of any change in our Authorized Representatives and/or our Compliance Advisor.

WAIVER IN RESPECT OF APPOINTMENT OF JOINT COMPANY SECRETARIES

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

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

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

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

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

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

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

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

(d) professional qualifications in other jurisdictions.

Pursuant to Chapter 3.10 under the Guide for New Listing Applicants published by the Stock Exchange, the Stock Exchange will consider a waiver application by an issuer in relation to Rules 3.28 and 8.17 of the Listing Rules based on the specific facts and circumstances. Factors that will be considered by the Stock Exchange include:

(a) whether the issuer has principal business activities primarily outside Hong Kong;

(b) whether the issuer was able to demonstrate the need to appoint a person who does not have the Acceptable Qualification nor Relevant Experience (both as defined under paragraph 11 of Chapter 3.10 under the Guide for New Listing Applicants) as a company secretary; and

(c) why the directors consider the individual to be suitable to act as the issuer's company secretary.

Further, pursuant to paragraph 13 of Chapter 3.10 under the Guide for New Listing Applicants, such waiver, if granted, will be for a fixed period of time (the "**Waiver Period**") and on the following conditions:

(a) the proposed company secretary must be assisted by a person who possesses the qualifications or experience as required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the Waiver Period; and

(b) the waiver can be revoked if there are material breaches of the Listing Rules by the issuer.

Our Company has appointed Mr. Huang Tian ("**Mr. Huang**") as one of our joint company secretaries. Mr. Huang has extensive experience in handling Board secretarial affairs and corporate management matters but presently does not possess any of the qualifications under Rules 3.28 and 8.17 of the Listing Rules, and may not be able to solely fulfil the requirements of the Listing Rules. Therefore, we have appointed Ms. Ye Jiahong ("**Ms. Ye**"), who is a member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom and meets the requirements stipulated under Rules 3.28 and 8.17 of the Listing Rules, as a joint company secretary to provide assistance to Mr. Huang for an initial period of three years from the Listing Date to enable Mr. Huang to acquire the "relevant experience" under Note 2 to Rule 3.28 of the Listing Rules so as to fully comply with the requirements set forth under Rules 3.28 and 8.17 of the Listing Rules. For details of their biographies, see "Directors and Senior Management — Joint Company Secretaries."

Given Ms. Ye's professional qualification and experience, she will be able to explain to both Mr. Huang and us the relevant requirements under the Listing Rules and other applicable Hong Kong laws and regulations. Ms. Ye will also assist Mr. Huang in organizing Board meetings and Shareholders' meetings of our Company as well as other matters of our Company which are incidental to the duties of a company secretary. Mr. Huang is expected to work closely with Ms. Ye and will maintain regular contact with Ms. Ye. In addition, both Mr. Huang and Ms. Ye will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules to familiarize themselves with the requirements of the Listing Rules and other legal and regulatory requirements of Hong Kong. Both Mr. Huang and Ms. Ye will also be assisted by the Compliance Advisor and our legal advisors as to the Hong Kong laws on matters in relation to our ongoing compliance with the Listing Rules and the applicable laws and regulations.

Since Mr. Huang does not possess the formal qualifications required of a company secretary under Rule 3.28 of the Listing Rules, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules such that Mr. Huang may be appointed as a joint company secretary of our Company. The waiver is valid for an initial period of three years from the Listing Date on the conditions that (a) Mr. Huang must be assisted by Ms. Ye who possesses the qualifications and experience required under Rule 3.28 of the Listing Rules throughout the Waiver Period; and (b) the waiver will be revoked immediately if and when Ms. Ye ceases to provide assistance to Mr. Huang as a joint company secretary or if there are material breaches of the Listing Rules by our Company.

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

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

Rule 10.04 of the Listing Rules requires that a person who is an existing shareholder of the issuer may only subscribe for or purchase any securities for which listing is sought which are being marketed by or on behalf of the issuer either in his or its own name or through nominees if the conditions in Rules 10.03(1) and (2) of the Listing Rules are fulfilled. It is provided in Rule 10.03(1) of the Listing Rules that no securities may be offered to existing shareholders on a preferential basis and no preferential treatment may be given to them in the allocation of the securities; and in Rule 10.03(2) of the Listing Rules that the minimum prescribed percentage of public shareholders required by Rule 8.08(1) (as amended and replaced by Rule 19A.13A(2)) of the Listing Rules must be achieved.

Paragraph 1C(2) of Appendix F1 to the Listing Rules provides that no allocations will be permitted to the existing shareholders of the applicant or their close associates, whether in their own names or through nominees, in the Global Offering unless the conditions set out in Rules 10.03 and 10.04 of the Listing Rules are fulfilled.

Chapter 4.15 of the Guide for New Listing Applicants provides that the Stock Exchange will consider giving consent and granting waiver from Rule 10.04 of the Listing Rules to an applicant's existing shareholders or their close associates to participate in an initial public offering if any actual or perceived preferential treatment arising from their ability to influence the applicant during the allocation process can be addressed.

Prior to the Listing, our Company's share capital comprises entirely A Shares listed on the Shanghai Stock Exchange. We have a large and widely dispersed public A Share shareholder base. Certain existing minority Shareholders and/or their close associates may participate in the Global Offering as cornerstone investors and/or as placees.

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

(i) the Joint Sponsors confirm that each Existing Minority Shareholder to whom our Company may allocate the H Shares in the International Offering holds less than 5% of the voting rights in our Company before Listing;

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

(iii) the Joint Sponsors confirm that none of the Existing Minority Shareholders has the right to appoint a Director and/or have any other special rights;

(iv) the Joint Sponsors confirm that allocation to the Existing Minority Shareholders or their close associates will not affect our ability to satisfy the public float requirement as prescribed by the Stock Exchange under Rule 8.08 (as amended and replaced by Rule 19A.13A(2)) of the Listing Rules or otherwise approved by the Stock Exchange;

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

(vi) to the best knowledge and belief of our Company, and based on discussions between our Company and the Overall Coordinators and confirmations required to be submitted to the Stock Exchange by the Joint Sponsors, our Company will 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 the 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 the Company to obtain actual or perceived preferential treatment, by virtue of their relationship with our Company in any allocation in the placing tranche;

(vii) 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 RESPECT OF 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 for New Listing Applicants, 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 for 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 the closing price of our A Shares on the Shanghai Stock Exchange from the start of the Hong Kong Public Offering to the last trading day before the Price Determination Date. Given the nature of our A Shares, we are unable to control the trading price of our A Shares on the Shanghai Stock Exchange; and

(b) As a company listed on the Shanghai Stock Exchange with A Shares publicly traded thereon, setting a price range with a low-end may adversely affect (a) the market price of our A Shares, (b) our ability to price the Offer Shares given potential price fluctuations of our A Shares during the period from the date of the prospectus until the pricing of the Global Offering; and (c) ultimately the Company's ability to price in the best interest of the Company and its Shareholders and potential investors.

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

(a) the maximum Offer Price;

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

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

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

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

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

WAIVER 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 A Shares in respect of such outstanding options; 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

(b) 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 A Shares or debentures must be specified in the document.

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, (i) there are 2,302,723 outstanding options and there is no outstanding restricted Shares under the 2024 Share Option and Restricted Share Incentive Plan; and (ii) there are 5,349,100 outstanding options and there is no outstanding restricted Shares under the 2026 Share Option and Restricted Share Incentive Plan. As such, the total number of A Shares underlying the outstanding options granted under the Share Option and Restricted Share Incentive Plans is 7,651,823 A Shares, representing 0.71% 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 Date).

As of the Latest Practicable Date, 3,949,500 awards remain available for grant under the 2026 Share Option and Restricted Share Incentive Plan, which are currently reserved and will be further granted as restricted Shares. In the event of any further grant being made under the Share Option and Restricted Share Incentive Plans on or after the Listing Date, the Company will comply with Chapter 17 of the Listing Rules in relation to such further grants. All of the 7,651,823 options under the Share Option and Restricted Share Incentive Plans were granted to 844 grantees who are employees of our Company and are not Directors, members of the senior management or connected persons of our Company.

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 844 grantees (who are not Directors, members of the senior management or connected persons of our Company) are involved for the granting of outstanding options, strict compliance with such disclosure requirements in setting out full details of all the grantees under Share Option and Restricted Share Incentive Plans 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 preparation as our Company would need to collect and verify the addresses of a large number of grantees to meet the disclosure requirement;

(b) the grant and exercise in full of the options under the Share Option and Restricted Share Incentive Plans will not cause any material adverse impact to the financial position of our Group. The 844 grantees who are not Directors, members of the senior management or connected persons of our Company have been granted options to acquire 7,651,823 A Shares. The A Shares underlying the granted options represent approximately 0.71% 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 Date), which is not material in the circumstances of our Company;

(c) there will not be any new H Shares issued under the Share Option and Restricted Share Incentive Plans 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 Share Option and Restricted Share Incentive Plans have 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 Share Option and Restricted Share Incentive Plans;

(ii) the aggregate number of A 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 Date);

(iv) full details of the options granted by our Company to Directors, members of senior management and connected persons of our Company (if any), on an individual basis, will be 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; and

(v) in respect of the options under the Share Option and Restricted Share Incentive Plans granted to grantees who are not our Directors, senior management or connected persons of our Company, disclosure will be made, on an aggregate basis, including (i) their aggregate number of grantees and number of A Shares underlying the options under the Share Option and Restricted Share Incentive Plans; (ii) the consideration (if any) paid for the grant of the options under the Share Option and Restricted Share Incentive Plans; and (iii) the exercise period of the options and the exercise price of the options granted under the Share Option and Restricted Share Incentive Plans.

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) full details of the outstanding options under the Share Option and Restricted Share Incentive Plans granted by our Company to each of our Directors, members of senior management and connected persons of our Company (if any), will be disclosed in the section headed "Appendix IV – Statutory and General Information – (D) Share Option and Restricted Share Incentive Plans" 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 Share Option and Restricted Share Incentive Plans granted to remaining grantees other than those referred to in sub-paragraph (a) above, disclosure will be made, on an aggregate basis, categorized into lots based on the number of Shares underlying the outstanding options granted to each individual grantee, being (i) 1 to 10,000; (ii) 10,001 to 20,000; (iii) 20,001 to 30,000; (iv) 30,001 to 40,000; (v) 40,001 to 50,000; and (vi) 50,001 or above, and for each lot of A Shares, the following details are disclosed in this prospectus: (i) their aggregate number of grantees and number of A Shares underlying the outstanding options under the Share Option and Restricted Share Incentive Plans; (ii) the consideration (if any) paid for the grant of the options under the Share Option and Restricted Share Incentive Plans; and (iii) the exercise period and exercise price of the options granted under the Share Option and Restricted Share Incentive Plans;

(c) aggregate number of Shares underlying the outstanding options granted under the Share Option and Restricted Share Incentive Plans 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 outstanding options under the Share Option and Restricted Share Incentive Plans will be disclosed in the section headed "Appendix IV — Statutory and General Information — (D) Share Option and Restricted Share Incentive Plans";

(e) a summary of the major terms of the Share Option and Restricted Share Incentive Plans will be disclosed in the section headed "Appendix IV — Statutory and General Information — (D) Share Option and Restricted Share Incentive Plans";

(f) a full list of all the grantees with outstanding options under the Share Option and Restricted Share Incentive Plans 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 in Hong Kong and Available on Display – Documents Available on Display" in Appendix V 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) full details of the outstanding options under the Share Option and Restricted Share Incentive Plans granted by our Company to each of our Directors, members of senior management and connected persons of our Company (if any), will be disclosed in the section headed "Appendix IV – Statutory and General Information – (D) Share Option and Restricted Share Incentive Plans" 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 Share Option and Restricted Share Incentive Plans granted to remaining grantees other than those referred to in sub-paragraph (a) above, disclosure will be made, on an aggregate basis, categorized into lots based on the number of Shares underlying outstanding options granted to each individual grantee, being (i) 1 to 10,000; (ii) 10,001 to 20,000; (iii) 20,001 to 30,000; (iv) 30,001 to 40,000; (v) 40,001 to 50,000; and (vi) 50,001 or above, and for each 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 Share Option and Restricted Share Incentive Plans; (ii) the consideration (if any) paid for the grant of the options under the Share Option and Restricted Share Incentive Plans; and (iii) the exercise period of the options, the exercise price of the options granted under the Share Option and Restricted Share Incentive Plans;

(c) a full list of all the grantees (including the grantees referred to in (a) above) with outstanding options under the Share Option and Restricted Share Incentive Plans, 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 in Hong Kong and Available on Display – Document Available for Inspection" in Appendix V to this prospectus; and

(d) the particulars of the exemption will be disclosed in this prospectus which will be issued on or before September 21, 2026.

WAIVER IN RESPECT OF CONTINUING CONNECTED TRANSACTIONS

We have entered into, and are expected to continue, certain transactions that will constitute partially exempt continuing connected transactions of our Company under the Listing Rules upon Listing. Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted, waivers in relation to certain continuing connected transactions between us and certain connected persons under Chapter 14A of the Listing Rules. For further details in this respect, see "Connected Transaction" in this prospectus.

DIRECTORS

Name	Address	Nationality
Executive Directors		
Mr. Liu Yu (劉羽)	60/F, Tower 2, The Harbourside 1 Austin Road West, Kowloon Hong Kong	Chinese (Hong Kong)
Mr. Deng Li (鄧利)	Unit 1, Block B, Building 1, Phase 2 Haijingjie Jiayuan, Houhai Bin Road Nanshan District, Shenzhen Guangdong Province PRC	Chinese
Non-executive Directors		
Mr. Liu Shaobai (劉紹柏)	Jinhui Pavilion, Jinlong Garden 1008 Qinxue Road, Nanshan District Shenzhen, Guangdong Province, PRC	Chinese
Mr. Cheuk Yung (卓勇)	House Two, Monterey 23 Tong Chun Street Tseung Kwan O Hong Kong	Chinese (Hong Kong)
Ms. Huang Xiaofen (黃小芬)	Jinhui Pavilion, Jinlong Garden 1008 Qinxue Road, Nanshan District Shenzhen, Guangdong Province, PRC	Chinese
Ms. Cheuk Kwan (卓軍)	21 Fo Chun Road Mayfair by the Sea II Tower 8, 10/F Tai Po, New Territories Hong Kong	Chinese (Hong Kong)
Independent non-executive Directors		
Dr. Zhou Guoyun (周國雲)	14th Floor Unit 1, Block 1 No. 26 Jianshe South Road Chenghua District, Chengdu Sichuan Province, PRC	Chinese
Dr. Xin Guosheng (辛國勝)	Unit B, Block 1 Phase II of Lanxi Valley Yanshan Road Nanshan District, Shenzhen Guangdong Province, PRC	Chinese
Dr. Cao Chunfang (曹春方)	21/F Lai Bo Building No. 2 Tsing Ho Square Tuen Mun, New Territories Hong Kong	Chinese

For further details with respect to our Directors, see "Directors and Senior Management."

PARTIES INVOLVED IN THE GLOBAL OFFERING

Joint Sponsors	**CITIC Securities (Hong Kong) Limited** 18/F, One Pacific Place 88 Queensway Hong Kong
	Merrill Lynch (Asia Pacific) Limited 55/F, Cheung Kong Center 2 Queen's Road Central Central Hong Kong
	Guolian Securities International Capital Market Co., Limited Unit 2103-4, 21st Floor, Li Po Chun Chambers 189 Des Voeux Road Central Sheung Wan, Hong Kong
Sponsor-Overall Coordinators	**CLSA Limited** 18/F, One Pacific Place 88 Queensway Hong Kong
	Merrill Lynch (Asia Pacific) Limited 55/F, Cheung Kong Center 2 Queen's Road Central Central Hong Kong
	Guolian Securities International Capital Co., Limited Unit 2103-4, 21st Floor, Li Po Chun Chambers 189 Des Voeux Road Central Sheung Wan, Hong Kong
Overall Coordinators	**CLSA Limited** 18/F, One Pacific Place 88 Queensway Hong Kong
	Merrill Lynch (Asia Pacific) Limited 55/F, Cheung Kong Center 2 Queen's Road Central Central Hong Kong
	Guolian Securities International Capital Co., Limited Unit 2103-4, 21st Floor, Li Po Chun Chambers 189 Des Voeux Road Central Sheung Wan, Hong Kong

Joint Global Coordinators	**CLSA Limited** 18/F, One Pacific Place 88 Queensway Hong Kong **Merrill Lynch (Asia Pacific) Limited** 55/F, Cheung Kong Center 2 Queen's Road Central Central Hong Kong **Guolian Securities International Capital Co., Limited** Unit 2103-4, 21st Floor, Li Po Chun Chambers 189 Des Voeux Road Central Sheung Wan, Hong Kong
Joint Bookrunners and Joint Lead Managers	**CLSA Limited** 18/F, One Pacific Place 88 Queensway Hong Kong **Merrill Lynch (Asia Pacific) Limited** 55/F, Cheung Kong Center 2 Queen's Road Central Central Hong Kong **Guolian Securities International Capital Co., Limited** Unit 2103-4, 21st Floor, Li Po Chun Chambers 189 Des Voeux Road Central Sheung Wan, Hong Kong
Capital Market Intermediaries	**CLSA Limited** 18/F, One Pacific Place 88 Queensway Hong Kong **Merrill Lynch (Asia Pacific) Limited** 55/F, Cheung Kong Center 2 Queen's Road Central Central Hong Kong **Guolian Securities International Capital Co., Limited** Unit 2103-4, 21st Floor, Li Po Chun Chambers 189 Des Voeux Road Central Sheung Wan, Hong Kong
Legal Advisors to our Company	*As to Hong Kong law and U.S. law* **Latham & Watkins LLP** 18th Floor, One Exchange Square 8 Connaught Place Central Hong Kong

As to PRC law
Guantao Law Firm
19/F, Tower B, Xinsheng Plaza
5 Finance Street
Xicheng District
Beijing
PRC

As to U.S. export control and sanctions
Pillsbury Winthrop Shaw Pittman LLP
1200 Seventeenth Street, NW
Washington, DC 20036
The United States

Legal Advisors to the Joint Sponsors and the Underwriters

As to Hong Kong law and U.S. law
Herbert Smith Freehills Kramer
23/F, Gloucester Tower
15 Queen's Road Central
Hong Kong

As to PRC law
Beijing Deheng Law Offices
12/F, Tower B, Focus Place
19 Finance Street
Beijing
PRC

Auditor and Reporting Accountants

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor under the Accounting and Financial Reporting Council Ordinance
27/F, One Taikoo Place
979 King's Road, Quarry Bay
Hong Kong

Industry Consultant

China Insights Industry Consultancy Limited
10/F, Block B
Jing'an International Center
88 Puji Road
Jing'an District
Shanghai
PRC

Compliance Advisor

Lego Corporate Finance Limited
Room 1505, 15/F,
Wheelock House
20 Pedder Street
Central
Hong Kong

Receiving Bank

Bank of China (Hong Kong) Limited
Bank of China Tower
1 Garden Road
Hong Kong

Registered office	166 Tiegang Shuiku Road Xixiang Subdistrict Bao'an District, Shenzhen PRC
Headquarters and principal place of business in China	166 Tiegang Shuiku Road Xixiang Subdistrict Bao'an District, Shenzhen PRC
Principal place of business in Hong Kong	31/F, Tower Two Times Square 1 Matheson Street Causeway Bay Hong Kong
Company's Website	**https://www.kinwong.com/** (*The information contained in this website does not form part of this prospectus*)
Joint company secretaries	Mr. Huang Tian Kinwong Electronics Building No. 158 Guangyuan 3rd Road Dongkeng Community Fenghuang Street, Guangming District Shenzhen PRC
	Ms. Ye Jiahong *an associate member of The Hong Kong Chartered Governance Institute* *an associate member of The Chartered Governance Institute in the United Kingdom* 31/F, Tower Two Times Square 1 Matheson Street, Causeway Bay Hong Kong
Authorized representatives	Mr. Liu Yu Kinwong Electronics Building No. 158 Guangyuan 3rd Road Dongkeng Community Fenghuang Street, Guangming District Shenzhen PRC
	Ms. Ye Jiahong *an associate member of The Hong Kong Chartered Governance Institute* *an associate member of The Chartered Governance Institute in the United Kingdom* 31/F, Tower Two Times Square 1 Matheson Street, Causeway Bay Hong Kong
Audit Committee	Dr. Cao Chunfang *(Chairperson)* Dr. Zhou Guoyun Mr. Cheuk Yung

Remuneration and Appraisal Committee	Dr. Zhou Guoyun *(Chairperson)* Dr. Xin Guosheng Mr. Liu Shaobai
Nomination Committee	Dr. Xin Guosheng *(Chairperson)* Dr. Cao Chunfang Ms. Huang Xiaofen
Strategy and ESG Committee	Mr. Liu Shaobai *(Chairperson)* Mr. Cheuk Yung Dr. Zhou Guoyun
H Share Registrar	**Tricor Investor Services Limited** 17/F, Far East Finance Centre 16 Harcourt Road, Hong Kong
Principal Bank	**Bank of China Shenzhen** **Nantou Sub-branch** Tiley Central Plaza No.3 Haide Road Nanshan District Shenzhen PRC

*The information and statistics set out in this section and other sections of this prospectus were extracted from different official government publications, available sources from public market research and other sources from independent suppliers, and from the independent industry report prepared by China Insights Consultancy (the "**CIC Report**"). We engaged CIC to prepare the CIC Report, an independent industry report, in connection with the Global Offering. Information and statistics from official government sources have not been independently verified by us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, and the Joint Lead Managers, any of the Underwriters, any of our or their respective directors, officers or representatives or any other person involved in the Global Offering and no representation is given as to their correctness or accuracy.*

OVERVIEW OF GLOBAL PCB INDUSTRY

Against the backdrop of the continuous deepening of the global digitalization process, AI technology has emerged as a core driver of socioeconomic development. PCB, as a critical component of electronic devices, performs essential functions such as interconnecting chips, transmitting signals, and supporting computing power, forming a key hardware basis for the large-scale deployment of AI technologies. With the deep penetration of AI into both cloud computing and edge application scenarios, the PCB industry is ushering in significant opportunities for a new round of production capacity expansion and technological upgrades. In the field of cloud computing, the sustained growth in demand for large-scale AI model training and inference is accelerating the construction of data infrastructure, thereby fueling strong demand for high-performance PCB products characterized by high-speed, high-layer-count, and high-density interconnect capabilities. On the edge side, sectors such as automotive electronics, smart devices, and industrial control are rapidly advancing their intelligent evolution towards deeper AI integration, further stimulating market demand for high-end PCB products. Particularly within the automotive electronics sector, the trends of electrification and intelligence are significantly increasing the PCB usage and value per vehicle, providing sustained momentum for the growth of the PCB industry.

Definition and Classification of PCB Industry

PCB refers to a functional board with predefined conductive pathways or printed components formed on copper-clad laminate or insulating substrates. It provides multi-dimensional performance including precise circuit interconnection, low-loss signal transmission, and stable mechanical support, serving as a fundamental component in electronic devices for carrying and interconnecting electronic components. PCB can be categorized by technical specifications into single- and double-sided PCB, MLPCB, HDI PCB, FPC, and package substrates.

- ***Single- and double-sided PCB:*** Single-sided PCB features circuits on one side of the substrate, typically applied in simple electronic devices such as calculators and basic remote controls. Double-sided PCB incorporates circuits on both sides, with plated through-holes enabling interlayer connections to support moderately complex circuit requirements.

- ***MLPCB:*** MLPCB refers to a printed circuit board with four or more layers. It accommodates additional circuit layers, provides larger routing space to achieve higher circuit density, and consequently supports more complex functionalities while integrating more components within a limited space. Multilayer PCB can be categorized by layer count into mid-low-layer-count PCB (four to six layers) and high-layer-count PCB (eight layers and above).

- ***HDI PCB:*** HDI PCB utilizes blind via and buried via technologies to enhance wiring density, enabling the integration of more components within a limited space while reducing signal interference and loss. Based on the build-up layers and process complexity, HDI PCB can be categorized into low-build-up HDI PCB, high-build-up HDI PCB and anylayer HDI PCB.

- ***FPC:*** FPC is manufactured using a bendable flexible substrate, characterized by high wiring density, light weight, and excellent bendability. It is suitable for devices with specific shapes or space constraints.

- ***Package substrate:*** Package substrate serves as a core carrier connecting bare chips to external circuits, providing electrical interconnection, thermal dissipation, and protection for chips. Featuring high density, high precision, and thinness, it represents a key enabler in advanced packaging.

Application Scenarios of PCB

- ***Automotive electronics:*** The popularization of EVs and the enhancement of automotive intelligence place stringent requirements on automotive electronics PCB. It must meet the high-voltage and high-reliability requirements of the three-electric system (battery, motor, electronic control), and possess characteristics such as high frequency and low latency. These features are critical to supporting high-speed signal transmission and data processing of sensors such as cameras and millimeter-wave radars in ADAS.

- ***Data infrastructure:*** To support the efficient operation of GPU/CPU clusters, data infrastructure PCB typically adopts high-speed materials and integrates high-layer-count designs with high-density interconnect technologies, is required to feature high speed, high layer counts, high-density interconnect, and excellent thermal dissipation performance.

- ***Telecommunication:*** The comprehensive deployment of 5G technology imposes stricter requirements on telecommunication PCB for high-frequency and high-speed signal transmission. Its materials and manufacturing processes must ensure low signal loss and high stability to adapt to complex network environments and ensure data transmission efficiency.

- ***Smart devices:*** With the in-depth empowerment of AI technology and iterative innovation in product forms, smart device PCB is required to accommodate the development of smart devices toward lightweight and multi-functional designs. It must further meet the criteria for high-speed signal transmission, low power consumption and favorable electromagnetic compatibility, leading to a sustained growth in the demand for HDI PCB and FPC.

- ***Industrial control:*** The intelligent transformation of the industrial sector requires industrial control PCB to demonstrate strong anti-interference capability, high-precision signal transmission, and wide temperature range adaptability. These characteristics are essential for supporting the stability and reliability of real-time control, equipment collaboration, and data interaction in manufacturing processes.

Market Size of Global PCB Industry

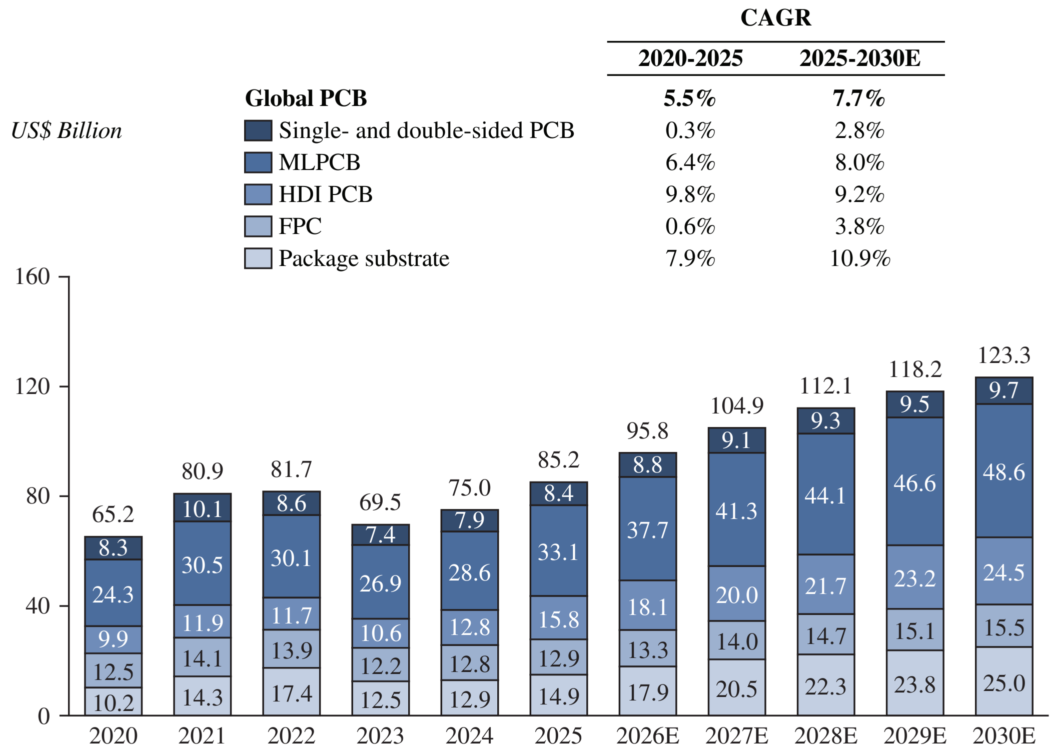
The global PCB industry has demonstrated a relatively stable growth trend in recent years. In terms of revenue, the market size of global PCB industry grew from US$65.2 billion in 2020 to US$81.7 billion in 2022, with a CAGR of 12.0%. In 2023, the industry experienced a temporary downturn amid weaker downstream demand, with market size declining from US$81.7 billion in 2022 to US$69.5 billion, representing a year-on-year decrease of 15.0%. Such decline was primarily attributable to global macroeconomic volatility, including elevated inflation and regional geopolitical tensions, which weakened demand for downstream end products and in turn reduced PCB procurement by downstream customers. Meanwhile, elevated inventory levels across downstream industries continued to constrain new orders for PCB products. Since 2024, the global PCB industry has sustained its recovery momentum from the downturn in 2023. The market size of global PCB industry, in terms of revenue, grew from US$69.5 billion in 2023 to US$85.2 billion in 2025, representing a CAGR of 10.7% from 2023 to 2025. The recovery was supported by a gradual improvement in downstream demand, the progressive digestion of excess inventory, and continued investment in data infrastructure, which together contributed to a recovery in PCB demand. Driven by multiple factors such as the accelerated advancement of automotive intelligence and electrification and the booming AI computing demand, PCB, as a core component of electronic devices, is expected to maintain robust market demand. In terms of revenue, the market size of global PCB industry is projected to reach US$123.3 billion by 2030, with a CAGR of 7.7% from 2025 to 2030.

Breakdown by Product Types

By product types, the market sizes of all PCB product categories experienced negative growth in 2023. Among them, package substrates experienced the most substantial decline, with a year-on-year decline of 28.2%, primarily attributable to the downturn in the semiconductor industry and prevailing excess inventory and oversupply. Meanwhile, due to sluggish end-market demand and excess inventory, other PCB product types also saw varying degrees of year-on-year declines. The market sizes of global single- and double-sided PCB, MLPCB, HDI PCB, and FPC dropped by 14.0%, 10.8%, 10.0%, and 12.2% year-on-year respectively.

Since 2024, the global PCB industry has experienced an overall recovery, with all product types achieving growth. In terms of revenue, the market sizes of global single- and double-sided PCB, MLPCB, HDI PCB, FPC, and package substrates reached US$8.4 billion, US$33.1 billion, US$15.8 billion, US$12.9 billion, and US$14.9 billion, respectively, in 2025. The ongoing technological upgrades in downstream applications continue to drive the high-end transformation of the PCB industry, with products featuring high technical barriers and high added value such as HDI PCB and package substrates becoming primary growth contributors. By 2030, in terms of revenue, the market sizes of global single- and double-sided PCB, MLPCB, HDI PCB, FPC, and package substrates are projected to reach US$9.7 billion, US$48.6 billion, US$24.5 billion, US$15.5 billion, and US$25.0 billion.

Market size of global PCB industry, in terms of revenue, by product types, 2020-2030E



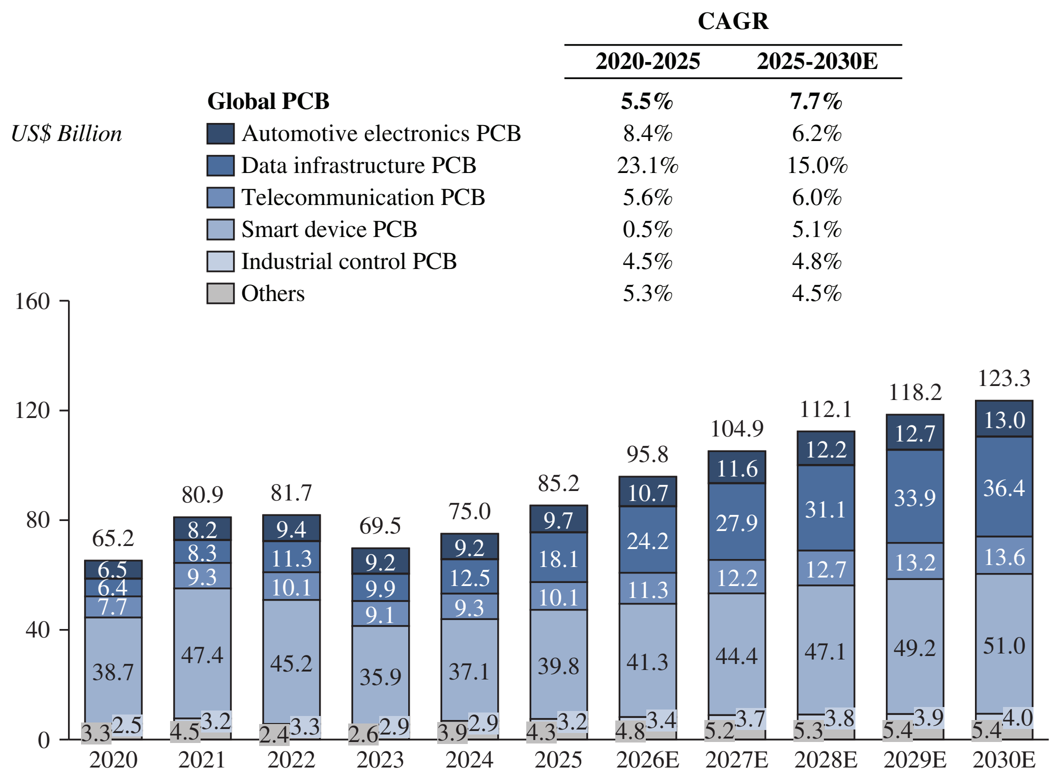
Sources: Expert interviews, Industry publications, CIC

Breakdown by Applications

By applications, the market sizes of all PCB application sectors experienced negative growth in 2023. Among them, the smart devices segment experienced the most substantial year-on-year decline of 20.5%, primarily attributable to the decrease in shipments of end products such as smartphones, personal computers and tablets. Meanwhile, other application sectors also saw varying degrees of year-on-year declines. The market sizes of global PCB in the automotive electronics, data infrastructure, telecommunication, and industrial control sectors dropped by 2.6%, 12.4%, 10.5%, and 13.4% year-on-year respectively.

Since 2024, the market sizes of global PCB across all application sectors have grown as the industry has experienced an overall recovery, with the growth trend continuing into 2025. In terms of revenue, the market sizes of global PCB in the five major application sectors, namely automotive electronics, data infrastructure, telecommunication, smart devices, and industrial control, reached US$9.7 billion, US$18.1 billion, US$10.1 billion, US$39.8 billion, and US$3.2 billion, respectively, in 2025. Driven by the increased PCB usage and value per vehicle amid the trends of automotive intelligence and electrification, alongside robust demand for PCB in servers and switches fueled by booming AI computing demands, the market sizes of PCB in the automotive electronics and data infrastructure sectors are projected to reach US$13.0 billion and US$36.4 billion by 2030, achieving CAGRs of 6.2% and 15.0%, respectively, from 2025 to 2030. The telecommunication, smart devices, and industrial control segments are expected to maintain steady growth. The market sizes of PCB in these three application sectors are projected to reach US$13.6 billion, US$51.0 billion, and US$4.0 billion by 2030.

Market size of global PCB industry, in terms of revenue, by applications, 2020-2030E



Sources: Expert interviews, Industry publications, CIC

ANALYSIS OF GLOBAL AUTOMOTIVE ELECTRONICS PCB INDUSTRY

Development Background of Global Automotive Industry

With the deep integration of frontier technologies such as AI, 5G and autonomous driving, the automotive industry is undergoing a profound transformation. This shift is advancing along two key technological pathways: firstly, the energy revolution centered on electrification, restructuring automotive powertrains through breakthroughs in batteries, electronic controls, and motors; secondly, the functional revolution centered on intelligent interconnection, which endows vehicles to perceive their environment, process information intelligently, and enable human-machine interaction, thereby advancing automobiles toward comprehensive intelligence.

Global sales of EVs increased from 3.0 million units in 2020 to 23.7 million units in 2025, with a CAGR of 50.9%. Their sales are expected to reach 53.5 million units by 2030, with a CAGR of 17.7% from 2025 to 2030. Compared with internal combustion engines (ICEs), EVs feature innovations in electrical and electronic architecture. The upgrading of core components such as BMS and electric drive systems imposes higher requirements on the reliability, power density, and thermal dissipation management of in-vehicle electronic systems.

Global sales of smart vehicles grew from 28.0 million units in 2020 to 66.8 million units in 2025, with a CAGR of 19.0%, and are projected to reach 111.6 million units by 2030, with a CAGR of 10.8% from 2025 to 2030. The wider adoption of intelligent driving functionalities is leading to a notable increase in electronic components such as onboard sensors and domain controllers. This imposes higher requirements on the data processing capability, connection reliability, and system integration of in-vehicle computing platforms, driving automotive electronic systems toward higher performance and greater integration.

Definition and Application Scenarios of Automotive Electronics PCB

Automotive electronics PCB is designed to operate under demanding automotive operating environments, and deliver circuit interconnection, signal transmission, and power support for automotive electronics systems. By integrating chips, sensors, and other electronic components, automotive electronics PCB enables core vehicle functions such as intelligent driving, power control, infotainment, and body control. As a key hardware carrier, it plays a pivotal role in advancing vehicle electrification, intelligence, and interconnection.

- ***ADAS:*** PCB is mainly used in domain controllers and millimeter-wave radars. As the vehicle decision center, domain controllers rely on HDI PCB to support the efficient integration and real-time computing of multi-sensor data. Millimeter-wave radars require high-frequency PCB materials with precise impedance control and anti-interference design, to ensure detection signal accuracy and stability under complex environments, thereby providing reliable perception for intelligent driving.

- ***Automotive power control systems:*** PCB plays a critical role in BMS, motor controllers, and vehicle control unit (VCU). BMS adopt heavy-copper MLPCB, leveraging its high conductivity and temperature resistance to achieve precise battery status monitoring and charge-discharge protection. To adapt to high-voltage, high-current operating conditions, motor controllers typically adopt high-thermal-conductivity materials such as ceramic substrates to ensure thermal dissipation efficiency. VCUs utilize high-reliability multi-layer designs to ensure stable coordination and efficient data transmission across the vehicle's powertrain.

- ***In-vehicle infotainment systems:*** With intelligence advancement, in-vehicle infotainment systems impose higher PCB requirements. High-resolution displays require advanced PCB to support high-definition video output. Furthermore, the system relies on high-temperature tolerance and electromagnetic-interference resistant PCB designs to ensure stable audio-visual signal transmission and system reliability under long-term operation and wide temperature variations.

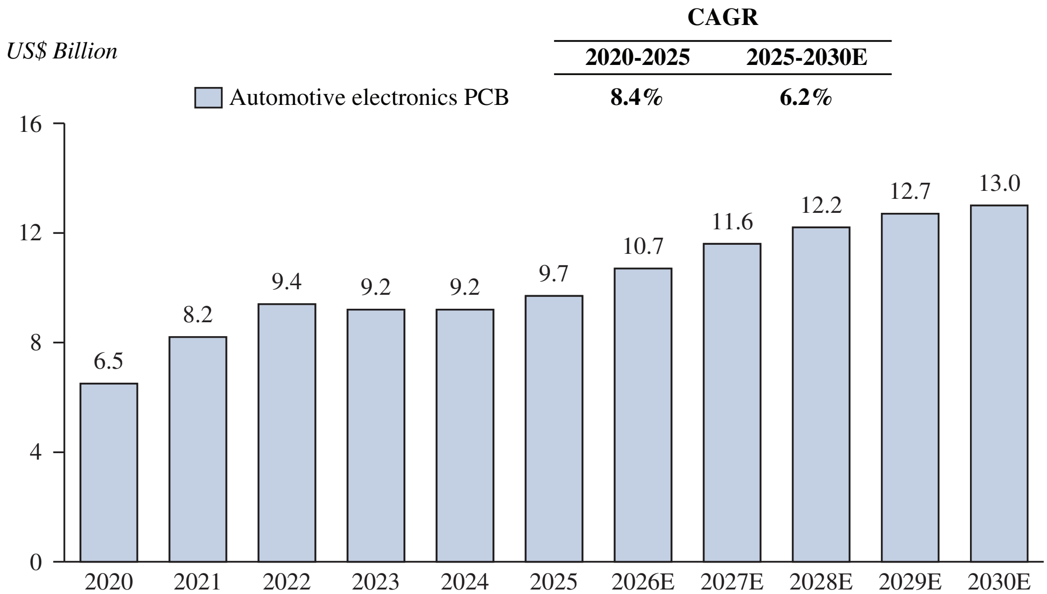
- ***Body control systems:*** PCB is widely used in modules such as lighting control, door and window control, and seat adjustment. Lighting control boards adopt aluminum-based PCB, where aluminum's high thermal conductivity enables rapid thermal dissipation, maintaining light intensity and extending service life. Modules such as door, window and seat adjustment extensively use FPC. Their flexibility enables installation in confined or irregular spaces inside vehicles, reducing weight while enhancing control precision and long-term reliability.

Market Size of Global Automotive Electronics PCB Industry

Driven by the dual trends of electrification and intelligence in the global automotive industry, the automotive electronics PCB industry is embracing new growth opportunities. The core electronic control systems in EVs impose higher requirements on PCB reliability, thermal dissipation, and current-carrying capacity, significantly increasing PCB usage volume and value per vehicle. Concurrently, the substantial increase in sensors, domain controllers, and infotainment equipment in smart vehicles further fuels demand for high-end PCB products, elevating the PCB value per vehicle to multiples of that in traditional vehicles. In terms of revenue, the market size of global automotive electronics PCB industry grew from US$6.5 billion in 2020 to US$9.7 billion in 2025, with a CAGR of 8.4% during this period.

Looking ahead, the deepening automotive electrification and intelligence, combined with technological upgrades and product optimization, will sustain growth in the automotive electronics PCB industry. Electrification, introducing high-power application scenarios, will drive the adoption of high-reliability PCB such as heavy-copper PCB and ceramic substrates. Meanwhile, rising levels of intelligent driving promotes millimeter-wave radars and domain controllers, further boosting demand for HLC PCB and HDI PCB. In terms of revenue, the market size of global automotive electronics PCB industry is projected to reach US$13.0 billion by 2030, with a CAGR of 6.2% from 2025 to 2030.

Market size of global automotive electronics PCB industry, in terms of revenue, 2020-2030E



Sources: Expert interviews, Industry publications, CIC

Growth Drivers and Development Trends of Global Automotive Electronics PCB Industry

- ***Vehicles as a core edge AI application unlock new growth space for PCB:*** Vehicles are emerging as a core application for the implementation of AI technologies on the edge side. Intelligent functions including interaction and scenario-based service recommendations in smart cockpits, real-time environmental perception and decision-making in intelligent driving, and vehicle health predictive maintenance, are fully unleashing AI value. These AI applications impose stringent requirements on the computing power support and data processing efficiency of in-vehicle hardware, which in turn is driving the upgrading of PCB toward higher layer counts, better signal integrity, and stronger thermal dissipation capabilities. Meanwhile, it is also creating an incremental PCB market featured by high reliability and complex manufacturing processes.

- ***Rising penetration of intelligent driving drives demand for high-performance PCB:*** With accelerated automotive intelligence, intelligent driving penetration continues to increase and is advancing towards higher levels (Level 2+ and above). To enable more advanced intelligent driving features, demand for millimeter-wave radars and LiDAR, as well as high-performance domain controllers, is expanding significantly. This results in an exponential growth in computing power requirements per vehicle, imposing higher demands on layer count, circuit density, and signal transmission performance of PCB. Specifically, sensors require high-frequency PCB for stable signal transmission, while the PCB for domain controllers is upgrading towards higher layer counts (18 layers and above) and advanced HDI processes for high-density computing power. Collectively, these factors boost substantial growth in demand for high-end PCB.

- ***Electrification trend drives higher PCB value per vehicle:*** EVs widely use PCB in core components such as BMS, motor controllers, and on-board chargers. This significantly increases both the value of PCB per vehicle and the overall PCB usage volume compared to ICEs, serving as a key driver of market growth.

- ***The shift toward higher-end products promotes adoption of advanced processes and materials:*** Advanced processes such as anylayer HDI and stacked microvias are being increasingly adopted to support finer circuit designs and faster signal transmission speeds. Furthermore, high-power scenarios driven by electrification are boosting demand for PCB with excellent thermal dissipation performance, including heavy-copper PCB, metal-core substrates, and ceramic substrates, to address the heat management challenges in high-voltage and high-current environments.

- ***Expanded applications of FPC and rigid-flex PCB:*** Driven by the demands for lightweight design, space optimization, and assembly flexibility, the application scenarios of FPC and rigid-flex PCB are continuing to expand. FPC is widely used in in-vehicle sensors, display modules, and body control modules to adapt to confined or irregular spaces. While rigid-flex PCB is employed in high-end automotive systems to achieve higher functional integration, enhancing the overall performance of the vehicle's electronic systems.

ANALYSIS OF GLOBAL DATA INFRASTRUCTURE PCB INDUSTRY

Development Background of Global Data Infrastructure Industry

Market Size and Development Background of Global Data Infrastructure Industry

Data infrastructure runs through the entire process of data generation, transmission, storage, and analysis, providing essential support for the digital operation and services of various industries. It mainly includes computing and network equipment within data infrastructure, such as servers and switches. In recent years, rapid advancement of technologies such as AI, the Internet of Things (IoT), and cloud computing is significantly accelerating global digital transformation, leading to explosive growth in data traffic, directly driving substantial growth in data infrastructure demand. In terms of revenue, the market size of global data infrastructure industry grew from US$120.1 billion in 2020 to US$487.0 billion in 2025, with a CAGR of 32.3% during this period. It is projected to reach US$1,438.9 billion by 2030, representing a CAGR of 24.2% from 2025 to 2030.

AI servers are a critical data infrastructure category built for complex AI computations and deep learning tasks. The explosive growth in AI computing demand is positioning AI servers as the fastest-growing segment in the data infrastructure market. In terms of revenue, the market size of global AI server industry expanded from US$15.9 billion in 2020 to US$232.7 billion in 2025, with a CAGR of 71.1% during this period. It is expected to reach US$1,054.4 billion by 2030, with a CAGR of 35.3% from 2025 to 2030.

Switches are core network equipment in data infrastructure that undertake the functions of routing, distributing, and scheduling data traffic. With the substantial increase in the frequency of data interactions and the scale of data traffic, there are higher requirements for switch port rates, forwarding performance, and network flexibility. These demands are directly driving the continued growth of the switch market. In terms of revenue, the market size of global switch industry increased from US$28.1 billion in 2020 to US$52.4 billion in 2025, with a CAGR of 13.3% during this period. It is projected to grow to US$78.4 billion by 2030, with a CAGR of 8.4% from 2025 to 2030.

Value Chain of Data Infrastructure Industry

The upstream of the data infrastructure industry includes PCB as a key component. As core foundational carrier material, PCB enables electrical interconnection and functional coordination among hardware components, and is deeply integrated into the data infrastructure hardware ecosystem. Specifically, the server PCB includes CPU motherboards, GPU motherboards, AI server accelerator boards, universal baseboards, switch boards, and power supply boards. The switch PCB comprises switch unit boards, interface boards, main control unit boards, routing engine boards, and power supply boards. The midstream of the industry assembles upstream components into systems, including AI servers, general-purpose servers, and switches to support computing power deployment. Downstream application customers primarily include cloud service providers, telecom operators, and enterprise clients.

Definition and Application Scenarios of Data Infrastructure PCB

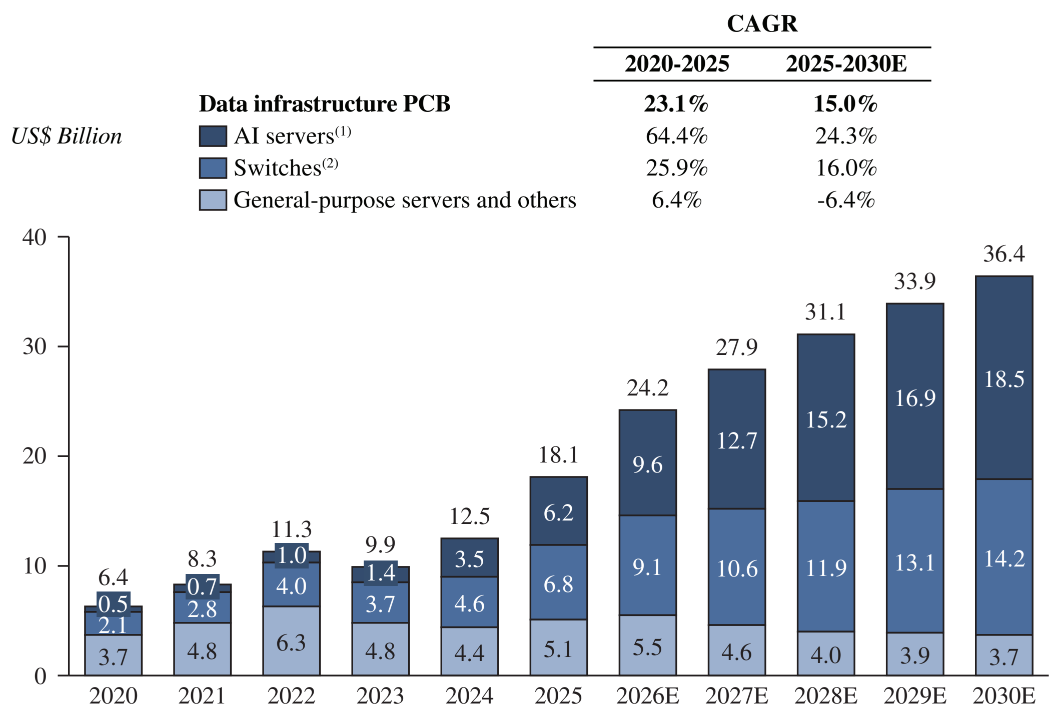
Data infrastructure PCB is a key component in core computing devices such as servers and switches. As the physical support and interconnection carrier for electronic components, it enables signal transmission, power distribution, thermal management, and physical protection. It must meet high-speed, high-layer-counts, high-density interconnect, and strong thermal dissipation requirements, and is critical to the efficient, stable operation of data infrastructure. Different devices impose differentiated PCB performance needs in specific applications. For AI servers, PCB must support high-speed interconnect of accelerator chips such as GPUs, ASICs, and FPGAs. It typically utilizes HDI technology and low-dielectric-constant materials to ensure the stability of high-frequency signal transmission, enabling full leverage of heterogeneous computing power. For switches, PCB relies on high-layer-count designs and high-speed signal transmission technologies to achieve high-bandwidth, low-latency data forwarding between devices. For general-purpose servers, PCB adopts high-density wiring and low-loss designs to ensure efficient internal data.

Market Size of Global Data Infrastructure PCB Industry

Rapid development of AI, cloud computing and IoT, boosts demand for data transmission and computing, driving the accelerated construction, iteration, and upgrading of data infrastructure. As key carriers and interconnection components in data infrastructure hardware, data infrastructure PCB maintains a rapid development momentum. In terms of revenue, the market size of global data infrastructure PCB industry grew from US$6.4 billion in 2020 to US$18.1 billion in 2025, with a CAGR of 23.1%.

Looking ahead, the sustained demand for high speed, high layer counts, high-density interconnect PCB from AI servers is expected to continue to propel the data infrastructure PCB industry toward higher-end, higher-value-added development. Furthermore, to meet the high-bandwidth and low-latency data exchange requirements of large-scale GPU clusters, switches are continuously enhancing their port density and bandwidth, which will further drive demand for high-end PCB. In terms of revenue, the market sizes of global AI server PCB and switch PCB industry are expected to reach US$18.5 billion and US$14.2 billion in 2030, with a CAGR of 24.3% and 16.0% respectively from 2025 to 2030.

Market size of global data infrastructure PCB industry, in terms of revenue, by applications, 2020-2030E



Notes:

(1) The market size of AI server PCB industry refers to the market size of all types of PCB used in AI servers, including CPU motherboards, GPU motherboards, AI server accelerator boards, universal baseboards, switch boards, and power supply boards.

(2) The market size of switch PCB industry refers to the market size of all types of PCB used in switches, including switch unit boards, interface boards, main control unit boards, routing engine boards, and power supply boards, but excluding switch boards used in AI servers.

Sources: Expert interviews, Industry publications, CIC

Growth Drivers and Development Trends of Global Data Infrastructure PCB Industry

- ***AI computing power surge drives demand for PCB featuring high speed, high layer counts, and high-density interconnect:*** In AI servers, to meet large-model training and inference requirements, accelerator chips such as GPUs, ASICs and FPGAs rely on high-speed interconnection protocols, imposing extreme demands on PCB layer count, wiring density, and signal integrity. This fuels demand for HLC PCB and HDI PCB. To address the high-bandwidth, low-latency data exchange needs within large-scale GPU clusters, network architectures are evolving toward fully interconnected models. This evolution drives improvements in the port density and bandwidth capacity of individual switches, which in turn fuels demand for high-speed PCB.

- ***Development toward higher frequency and higher speed:*** The rapid development of AI computing clusters and global data traffic has raised demand for faster data transmission. Network interface rates are accelerating from 400G to 800G and even 1.6T, imposing stricter PCB signal integrity standards. Under this trend, PCB must adopt new substrate materials with low dielectric constant and loss, alongside stricter impedance control and wiring optimization to ensure high-speed signal transmission quality.

- ***Continuous optimization of thermal dissipation performance:*** Data infrastructure equipment, especially high-performance servers and switches, generates significant heat during operation, making thermal dissipation critical for stable operation. Future developments of PCB are expected to focus on adopting advanced thermal materials and technologies, including substrates with higher thermal conductivity, heat pipe cooling technologies, and liquid cooling technologies, to improve thermal dissipation efficiency. Additionally, PCB design will emphasize optimized thermal dissipation layouts via rational wiring and strategic component placement to minimize heat accumulation and enhances the overall thermal dissipation management.

- ***Emergence of new PCB products:*** The surge in AI computing power and data traffic has led to new PCB products tailored to emerging needs. For example, in the AI server sector, high-end PCB with high-layer-count architecture, low signal attenuation, and HDI characteristics can effectively improve data transmission efficiency and stability between multi-GPU clusters, adapting to terabit-level bandwidth demands. They are expected to become one of the interconnection solutions for AI computing clusters.

- ***Accelerated domestic substitution:*** Amid global supply chain uncertainties, domestic substitution in data infrastructure sector is accelerating. The rise of domestic server and switch manufacturers is driving PCB supply chains localization, offering critical opportunities for domestic PCB providers to enter the high-end market. With sustained investment in upstream materials and high-layer-count processes, leading domestic PCB providers have achieved breakthroughs in high-end products such as AI server boards and high-speed switch backplanes, with their market share expected to grow steadily.

ANALYSIS OF GLOBAL TELECOMMUNICATION PCB INDUSTRY

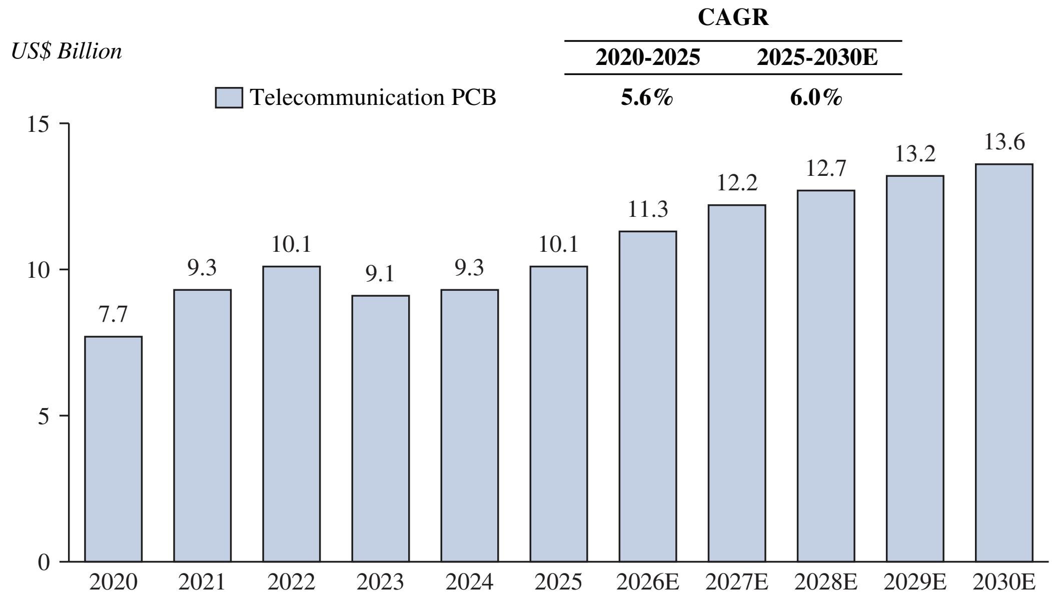
Definition and Application Scenarios of Telecommunication PCB

Telecommunication PCB is a core component for circuit interconnection, signal transmission and functional integration in telecommunication devices. Given high demands for signal quality and transmission efficiency, it must meet low-loss, high-frequency, high-speed and high-stability requirements. Main application scenarios for telecommunication PCB include 5G and 6G base station antenna and baseband units, satellite communication on-board payloads and ground receiving stations, as well as routers and optical fiber communication equipment.

Market Size of Global Telecommunication PCB Industry

The global communication PCB industry has expanded steadily. In terms of revenue, the market size of global telecommunication PCB industry increased from US$7.7 billion in 2020 to US$10.1 billion in 2025, with a CAGR of 5.6%. This growth was mainly driven by large-scale 5G deployment, which boosted demand for telecommunication PCB. As 5G construction evolves from widespread to deep coverage, intensive deployment of small base stations continues to drive demand for high-frequency and high-speed PCBs. Meanwhile, accelerated commercial deployment of low-orbit satellite communications and progress in 6G R&D are also spurring high-performance PCB applications, injecting new momentum into the industry. By 2030, the market size of global telecommunication PCB industry is projected to grow to US$13.6 billion, with a CAGR of 6.0% from 2025 to 2030.

Market size of global telecommunication PCB industry, in terms of revenue, 2020-2030E



Sources: Expert interviews, Industry publications, CIC

Growth Drivers and Development Trends of Global Telecommunication PCB Industry

- ***5G evolution and 6G R&D drive the iteration of high-frequency and high-speed PCB:*** As 5G networks expand from initial wide coverage to deep coverage scenarios such as indoor environments and industrial IoT, base station density continues to rise, imposing higher requirements on PCB high-frequency signal transmission and anti-interference performance. Meanwhile, the forward-looking layout of 6G technology is gradually advancing with demand for higher transmission rates and wider frequency bands driving PCB iteration toward finer line widths and spacing, and better signal integrity.

- ***Low-orbit satellite communication deployment stimulates demand for high-performance PCB:*** The global deployment process for low-orbit satellites is driving rapid expansion of demand for satellite payloads and ground receiving equipment. Operating in high-radiation and extreme temperature environments, satellites require high-performance PCBs with radiation resistance and thermal cycle stability. Furthermore, strict weight limitations on satellites promote the development and implementation of lightweight PCB solutions, further expanding the product range of communication PCB.

- ***Wider application of low-loss materials:*** To meet the demand for high-speed, low-latency communication transmission, equipment requirements for PCB signal integrity continue to rise. Low-loss materials such as PTFE, with their stable dielectric constant and extremely low loss tangent, can effectively ensure signal transmission quality. Their penetration rate in key components of communication equipment is steadily increasing.

ANALYSIS OF GLOBAL SMART DEVICE PCB INDUSTRY

Definition and Application Scenarios of Smart Device PCB

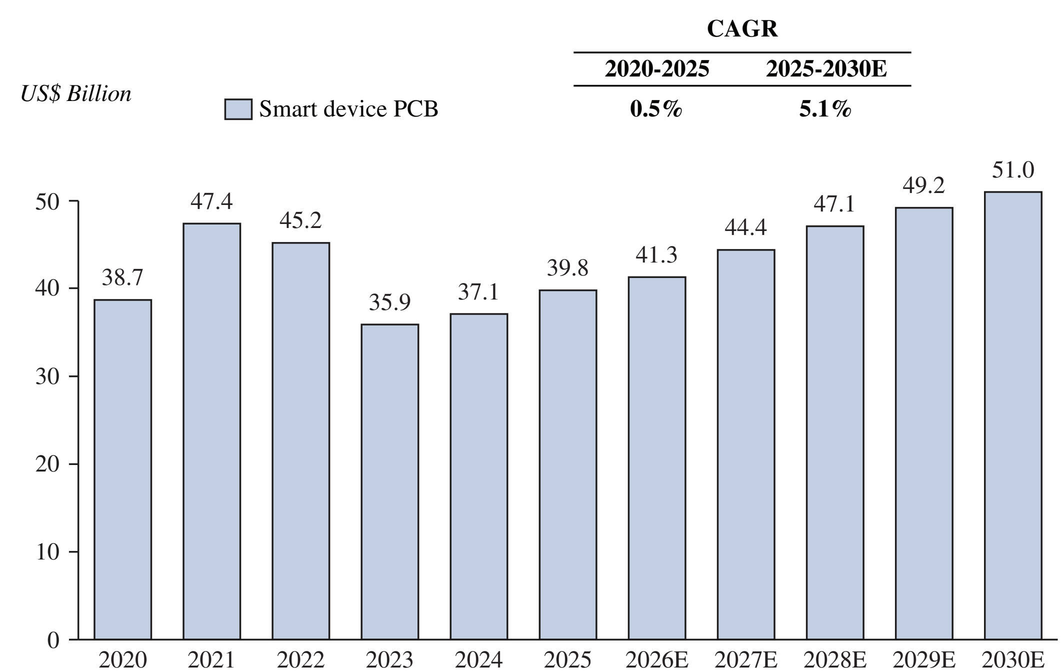
Smart devices integrate next-generation digital technologies and innovative advancements to serve a wide range of user scenarios. Driven by technologies such as AI, IoT, and big data, smart devices are evolving along two primary trajectories: one toward devices with advanced intelligence capabilities, represented by AI phones and AI personal computers, and the other giving rise to new product categories such as humanoid robots and drones. Smart device PCB is a core component enabling the lightness, multi-functional integration and high-performance operation of smart devices, mainly applied in smartphones, personal computers, tablets, wearable devices, humanoid robots and drones. As the core hardware carrier, it enables signal transmission, computing support and multi-module coordination within smart devices.

Market Size of Global Smart Device PCB Industry

Smart devices represent the largest downstream application segment in the global PCB industry. In terms of revenue, the market size of global smart device PCB industry reached US$39.8 billion in 2025, accounting for 46.7% of the global PCB market.

Rapid advances in AI, flexible display, and other technologies have raised stringent requirements for product intelligence, thinness and lightness, flexibility, and integration degree, propelling continuous product iteration. Meanwhile, accelerated adoption of new categories such as humanoid robots and drones is injecting new impetus to the smart device PCB industry. Accordingly, the industry's key growth drivers are shifting from traditional segments such as smartphones and laptops to emerging segments such as AI phones, foldable devices, and humanoid robots. These emerging sectors are driving sustained demand for high-value-added PCB, including HDI PCB and rigid-flex PCB, and the PCB providers are ramping up their high-end market deployment to better satisfy market requirements and upgrade their product mix to focus on the premium segment. In terms of revenue, the market size of global smart device PCB industry is expected to reach US$51.0 billion by 2030, with a CAGR of 5.1% from 2025 to 2030.

Market size of global smart device PCB industry, in terms of revenue, 2020-2030E



Sources: Expert interviews, Industry publications, CIC

Growth Drivers and Development Trends of Global Smart Device PCB Industry

- ***Deepening AI applications:*** The integration of AI technologies into smart devices is driving demand for high-speed data processing and real-time interaction, fueling growth in HDI PCB and HLC PCB. Concurrently, accelerated commercialization of emerging product categories, including humanoid robots and drones, is further stimulating demand for advanced PCB products while enhancing their per-unit value.

- ***Development towards thinness, lightweight and flexibility:*** The growing adoption of foldable phones, smartwatches, and true wireless stereo earphones imposes higher requirements on the thinness, lightweight, and bendability of the PCB. FPC and rigid-flex PCB, with strong flexibility and spatial adaptability, are expected to become the mainstream solutions to accommodate product innovations and lightweight design needs.

- ***Enhancement of functional integration:*** Growing functional modules in smart devices demand higher-density circuit interconnection within a limited area, driving HDI technology and miniaturization to mainstream development directions. This trend is also promoting continuous breakthroughs in PCB manufacturing processes, and is moving toward smaller line widths and spaces to achieve higher wiring density in limited space.

- ***Increased demand for production responsiveness:*** Shorter smart device iteration cycles demand greater production responsiveness from PCB providers. To match rapid product updates, PCB providers must possess high flexibility in the design phase while simultaneously optimizing manufacturing processes and compressing delivery timelines.

ANALYSIS OF GLOBAL INDUSTRIAL CONTROL PCB INDUSTRY

Definition and Application Scenarios of Industrial Control PCB

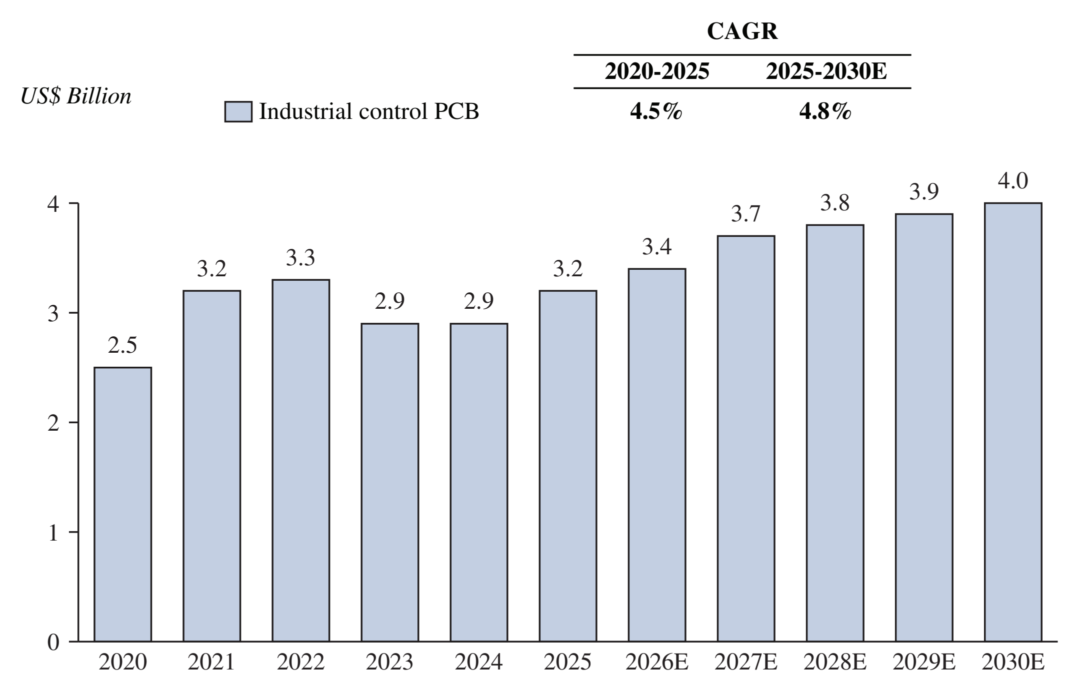
Industrial control PCB is a high-reliability component for industrial control applications, enabling precise control, equipment coordination, and data exchange in industrial manufacturing. To ensure long-term stable operation in harsh environments, features high precision, reliability, strong anti-interference capabilities, wide temperature tolerance, and a long service life. The primary application scenarios for industrial control PCB encompass core control units, signal processing modules, and motion control systems within industrial automation systems, industrial robots, and intelligent manufacturing equipment.

Market Size of Global Industrial Control PCB Industry

As a critical component of industrial control systems, PCB enables signal transmission, equipment interconnection, and stable operation under complex conditions, playing an indispensable role in precise control, equipment coordination, and data acquisition for industrial manufacturing. Driven by global smart manufacturing and rising industrial automation, the market size of global industrial control PCB industry has demonstrated steady growth. In terms of revenue, the market size of global industrial control PCB industry grew from US$2.5 billion in 2020 to US$3.2 billion in 2025, with a CAGR of 4.5% during the period.

Accelerated digitalization, automation, and intelligence transformation in global industrial sector have driven rapid growth in industrial automation and smart manufacturing applications, sustaining steady growth in the industrial control PCB market. In terms of revenue, the market size of global industrial control PCB industry is projected to reach US$4.0 billion by 2030, with a CAGR of 4.8% from 2025 to 2030.

Market size of global industrial control PCB industry, in terms of revenue, 2020-2030E



Sources: Expert interviews, Industry publications, CIC

Growth Drivers and Development Trends of Global Industrial Control PCB Industry

- ***Popularization of industrial automation and smart manufacturing:*** Acceleration of industrial automation and smart manufacturing is generating sustained and stable demand. Industrial control systems, as the core hub of automation systems, place increasingly higher requirements on PCB layer count, wiring density, and signal integrity. Particularly in critical equipment such as robotic joint controls and intelligent sensors, the application proportion of HLC PCB is rising rapidly, providing reliable hardware support for the stable operation of industrial automation systems.

- ***Enhanced reliability and safety standards:*** Complex and variable environments impose high standards for PCB performance, including heat resistance, vibration resistance, and corrosion prevention. Stricter global industrial safety standards and certification requirements drive higher reliability demands. This trend compels PCB providers to establish more comprehensive quality management systems across material selection, process control, and quality inspection phases.

- ***Domestic substitution and industrial upgrading:*** Driven by supply chain security and self-reliance strategies, domestic PCB providers have entered the high-end industrial control supply chain through sustained R&D, technological advancement and certification breakthroughs. Leveraging strengths in cost control, rapid responsiveness, and stable supply, they are breaking the supply chain monopoly of overseas brands, advancing the localization and value enhancement of the industrial control PCB value chain.

ANALYSIS OF COMPETITIVE LANDSCAPE OF GLOBAL PCB INDUSTRY

Competitive Landscape of Global PCB Industry

The competitive landscape of global PCB industry is relatively fragmented. In terms of PCB revenue in 2025, the combined market share of the top 15 global PCB providers reached 48.9%. Overall, the competitive landscape of global PCB industry exhibits three core characteristics, namely resource concentration toward leading providers, the accelerated rise of domestic Chinese providers, and the continuous expansion of advantages among top players.

In 2025, the Company's PCB revenue reached US$2,121.6 million, ranking eleventh among all PCB providers and fifth among PCB providers headquartered in Chinese mainland, with a market share of 2.5%.

Ranking of global PCB providers, in terms of PCB revenue, 2025

Ranking	PCB providers	Headquarter	Revenue	Market Share
			(US$ million)	*(%)*
1	Company A[(1)]	Taiwan, China	5,895.5	6.9%
2	Company B[(2)]	Taiwan, China	4,239.1	5.0%
3	Company C[(3)]	Jiangsu, China	3,615.3	4.2%
4	Company D[(4)]	Guangdong, China	3,150.7	3.7%
5	Company E[(5)]	the United States	2,906.3	3.4%
6	Company F[(6)]	Jiangsu, China	2,560.2	3.0%
7	Company G[(7)]	Guangdong, China	2,551.8	3.0%
8	Company H[(8)]	Taiwan, China	2,454.7	2.9%
9	Company I[(9)]	Taiwan, China	2,370.8	2.8%
10	Company J[(10)]	Japan	2,273.0	2.7%
11	**The Company**	**Guangdong, China**	**2,121.6**	**2.5%**
12	Company K[(11)]	Austria	1,976.6	2.3%
13	Company L[(12)]	Taiwan, China	1,929.2	2.3%
14	Company M[(13)]	Taiwan, China	1,848.4	2.2%
15	Company N[(14)]	Hongkong, China	1,709.7	2.0%
	Sub total		**41,603.0**	**48.9%**

Notes:

(1) Company A is a public company founded in 2006, listed on the Taiwan Stock Exchange, and headquartered in Taiwan, China. It is mainly engaged in the R&D, manufacturing and sales of diversified PCB.

(2) Company B is a public company founded in 1990, listed on the Taiwan Stock Exchange, and headquartered in Taiwan, China. It is mainly engaged in the R&D, manufacturing and sales of diversified PCB.

(3) Company C is a public company founded in 1998, listed on the Shenzhen Stock Exchange, and headquartered in Jiangsu, China. It is mainly engaged in the R&D, manufacturing and sales of PCB, precision components, touch panels and liquid crystal display modules, and optical transceivers.

(4) Company D is a public company founded in 1984, listed on the Shenzhen Stock Exchange, and headquartered in Guangdong, China. It is mainly engaged in the R&D, manufacturing and sales of diversified PCB.

(5) Company E is a public company founded in 1978, listed on the NASDAQ, and headquartered in the United States. It is mainly engaged in the R&D, manufacturing and sales of PCB, radio frequency and microelectronic components, as well as providing system integration services.

(6) Company F is a public company founded in 1992, listed on the Shenzhen Stock Exchange, and headquartered in Jiangsu, China. It is mainly engaged in the R&D, manufacturing and sales of diversified PCB.

(7) Company G is a public company founded in 2006, listed on the Shenzhen Stock Exchange and Hongkong Stock Exchange, and headquartered in Guangdong, China. It is mainly engaged in the R&D, manufacturing and sales of diversified PCB.

(8) Company H is a public company founded in 1973, listed on the Taiwan Stock Exchange, and headquartered in Taiwan, China. It is mainly engaged in the R&D, manufacturing and sales of diversified PCB.

(9) Company I is a public company founded in 1991, listed on the Taiwan Stock Exchange, and headquartered in Taiwan, China. It is mainly engaged in the R&D, manufacturing and sales of diversified PCB.

(10) Company J is a private enterprise founded in 1969 and headquartered in Japan. It is mainly engaged in the R&D, manufacturing and sales of FPC.

(11) Company K is a public company founded in 1987, listed on the Vienna Stock Exchange, and headquartered in Austria; It is mainly engaged in the R&D, manufacturing and sales of diversified PCB.

(12) Company L is a public company founded in 1981, listed on the Taiwan Stock Exchange, and headquartered in Taiwan, China, It is mainly engaged in the R&D, manufacturing and sales of diversified PCB.

(13) Company M is a public company founded in 1989, listed on the Taiwan Stock Exchange, and headquartered in Taiwan, China, It is mainly engaged in the R&D, manufacturing and sales of diversified PCB.

(14) Company N is a public company founded in 1988, listed on the Hong Kong Stock Exchange, and headquartered in Hong Kong, China, It is mainly engaged in the manufacturing and sales of laminates and PCB.

Sources: Public filings of listed companies, Expert interviews, Industry publications, CIC

Competition Landscape of Global Automotive Electronics PCB Industry

The competitive landscape of global automotive electronics PCB industry is relatively fragmented, with leading providers occupying a dominant market position by virtue of their accumulated strict automotive-grade certification credentials and profound technical capabilities. In terms of automotive electronics PCB revenue in 2025, the Company ranks first in the global automotive electronics PCB industry with a market share of 10.6%.

Ranking of global automotive electronics PCB providers, in terms of automotive electronics PCB revenue, 2025

Ranking	PCB providers	Headquarter	Revenue	Market Share
			(US$ million)	*(%)*
1	**The Company**	**Guangdong, China**	**1,026.4**	**10.6%**
2	Company O[(1)]	Japan	616.7	6.4%
3	Company P[(2)]	Japan	554.5	5.7%
4	Company J	Japan	477.3	4.9%
5	Company I	Taiwan, China	450.1	4.7%
	Sub total		**3,125.0**	**32.4%**

Notes:

(1) Company O is a public company founded in 1975, listed on the Tokyo Stock Exchange, and headquartered in Japan. It is mainly engaged in the R&D, manufacturing and sales of diversified PCB and other electronic related businesses.

(2) Company P is a public company founded in 1961, listed on the Tokyo Stock Exchange, and headquartered in Japan. It is mainly engaged in the R&D, manufacturing and sales of diversified PCB.

Sources: Public filings of listed companies, Expert interviews, Industry publications, CIC

Entry Barriers of Global PCB Industry

- ***Customer certification and supply chain barrier:*** The quality of PCB directly impacts end-product performance and service life. Downstream customers have established a mature collaborative system with existing PCB providers through long-term cooperation. New entrants face lengthy, resource-intensive certification procedures and must maintain a consistent and reliable supply of products to establish stable cooperative relationships with customers.

- ***Technology and process barrier:*** PCB industry is highly technology-intensive with complex, multidisciplinary manufacturing processes. As electronic devices evolve towards higher precision, density and performance, PCB technical requirements continue to rise. Leading PCB providers offer customized solutions and master process technologies such as microvias and deep micro-blind vias, thereby establishing competitive advantages in thermal dissipation performance and product stability.

- ***Capital Investment Barrier:*** PCB industry is a capital-intensive sector, on the one hand, PCB providers are required to inject substantial capital to procure high-end automated production equipment, construct cleanroom manufacturing facilities and integrate supporting systems for the establishment of initial production capacity. On the other hand, to respond to rapid technology iteration and upgrading downstream demand, continuous invest capital in equipment upgrading, R&D of new materials and production capacity expansion are needed.

Challenges within Global PCB industry

- ***Intensifying market competition:*** PCB industry has a large number of participants and a relatively fragmented competitive landscape. As market competition intensifies, downstream customers are imposing increasingly stringent requirements on PCB providers in terms of product quality stability, delivery capability and technical proficiency. To maintain their competitiveness amid such intensifying market competition, PCB providers must continuously invest capital and resources in upgrading product quality, enhancing delivery efficiency and advancing technical proficiency.

- ***Rising technical requirements amid rapid downstream technological iteration:*** PCB industry is a typical technology-intensive sector. With the rapid technological iteration in downstream application sectors such as automotive electronics, data infrastructure and smart devices, market requirements for the performance, process precision and material adaptability of PCB products are rising consistently. If PCB providers fail to keep pace with the industry's technological trends, and thus are unable to meet the new product demands of downstream customers, the market competitiveness of their products will diminish gradually, exposing them to the risk of market share loss.

- ***Industry development constraints from trade and policy changes:*** The operations and development of PCB providers are subject to the impact of global trade policies and industry regulatory policies of various jurisdictions. Adjustments to international trade policies and export control measures may restrict PCB providers' global layout and impede the cross-border exports of their products. If PCB providers do not take effective measures, such as expanding overseas production capacity and strengthening supply chain management, they may face difficulties in maintaining global delivery capabilities and supply chain resilience, which could limit their ability to effectively respond to challenges arising from changes in trade policies and industry regulations.

ANALYSIS OF RAW MATERIALS OF PCB INDUSTRY

The main raw materials of PCB, including copper-clad laminates, copper foils and copper anode balls, all take copper as their core component. Accordingly, fluctuations in copper prices have a material impact on the cost structure of PCB.

In 2021, the global economic recovery drove a rapid rebound in copper demand in sectors such as infrastructure and new energy. However, growth in copper supply was limited due to the pandemic impact on copper production and transportation, resulting in a supply-demand mismatch. Consequently, the global annual average copper settlement price increased from US$6,180.6 per ton in 2020 to US$9,317.5 per ton in 2021. In recent years, the global copper settlement price has continued to fluctuate. In 2025, the global annual average copper settlement price reached US$9,944.9 per ton. Looking ahead, as the world undergoes a profound industrial upgrading that shifts toward high-value, technology-intensive manufacturing, coupled with the increasing promotion of renewable energy and infrastructure development, copper prices are expected to remain relatively stable within a relatively high range.

SOURCE OF INFORMATION

In connection with the Global Offering, we engaged CIC, an independent market research consultant, to conduct an analysis of, and to prepare a report about global PCB industry. The CIC Report has been prepared by CIC independent of the influence of our Group and other interested parties. We have agreed to pay CIC a total fee of RMB680,000 for the preparation and use of the CIC Report, and we believe that such fees are consistent with the market rate. CIC is a consulting firm founded in Hong Kong and provides professional industry consulting services across multiple industries. CIC's services include industry consultancy services, commercial due diligence and strategic consulting.

CIC conducted both primary and secondary research using a variety of resources. Primary research involved interviewing key industry experts and leading industry participants. Secondary research involved analyzing data from various publicly available data sources. The market projections in the commissioned report are based on the following key assumptions: (i) given China's enduringly stable political system, effective social governance and robust economic foundation, it is anticipated that the overall social, economic and political environments in China will remain stable during the forecast period; (ii) according to the National Bureau of Statistics of China, key economic indicators such as gross Domestic Product ("**GDP**"), industrial added value, and urbanization rate have shown an upward trend in China over the past decade. Therefore, we believe that the economic and industry development in China is likely to maintain a steady growth trajectory during the forecast period, accompanied by continuing urbanization; (iii) related key industry drivers such as the expansion of demand in downstream application sectors, the advancement of AI technologies and the continuous upgrading of advanced technologies are likely to propel continued growth in global PCB industry throughout the forecast period; and (iv) there will be no extreme force majeure event or unforeseen industry regulation that may significantly or fundamentally affect the relevant market and industry.

Unless otherwise specified, all data and forecasts contained in this section are derived from the consultancy report of CIC. The Directors, upon acting with reasonable prudence, confirmed that there has been no occurrence of adverse change in the overall market information that would subject the data to significant restrictions, contradiction or negative effects since the date of the consultancy report.

THE PRC LAWS, REGULATIONS AND POLICIES

Regulatory Policies Relating to the Printed Circuit Board Industry

To strengthen the administration of the printed circuit board (PCB) industry, guide industrial transformation and upgrading and structural adjustment and promote the sustained and healthy development of the PCB industry, the MIIT promulgated the Standard Conditions for the Printed Circuit Board Industry (《印製電路板行業規範條件》) and the Interim Measures for the Administration of Standard Announcement for Printed Circuit Board Industry (《印製電路板行業規範公告管理暫行辦法》) on December 28, 2018.

National Development and Reform Commission of the People's Republic of China (the "**NDRC**") and Ministry of Commerce of the People's Republic of China (**MOFCOM**) promulgated the Catalogue of Industries for Encouraging Foreign Investment (2022 Edition) (《鼓勵外商投資產業目錄(2022年版)》) (the "**Encouraged Catalogue**") on October 26, 2022. The Encouraged Catalogue expressly includes the following industries within the scope of encouraged foreign investment: "high-density interconnect laminated boards; single-layer, double-layer and multi-layer flexible boards; rigid-flex printed circuit boards and packaging substrates; and high-density, fine-line flexible printed circuit boards (line width/line spacing ≤ 0.05 mm)". On December 20, 2024, the NDRC and MOFCOM promulgated the revised Catalogue of Industries for Encouraging Foreign Investment (Draft for Public Comments) (《鼓勵外商投資產業目錄(公開徵求意見稿)》), which continues to include the above industries within the scope of encouraged foreign investment.

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

Regulations Relating to Companies and Foreign Investment

Pursuant to the PRC Company Law promulgated by the NPC Standing Committee on December 29, 1993, implemented on July 1, 1994, and last amended on December 29, 2023, companies are generally classified into two categories: limited liability companies and joint stock limited companies. Both types of companies have the status of legal persons, and the liability of the shareholders of a limited liability company or a joint stock limited company is limited to the amount of their capital contributions to the registered capital. The Company Law also applies to foreign-invested enterprises. Where laws relating to foreign investment provide otherwise, such laws shall prevail.

The National People's Congress of the People's Republic of China promulgated the Foreign Investment Law of the People's Republic of China on March 15, 2019, which came into effect on January 1, 2020, establishing a management system of pre-establishment national treatment plus a negative list for foreign investment access. The Implementation Rules to the Foreign Investment Law of the People's Republic of China (《中華人民共和國外商投資法實施條例》) (the "**Implementation Rules**"), which came into effect on January 1, 2020, further provide that, in accordance with the needs of national economic and social development, China formulates a catalogue of industries for encouraging foreign investment, specifying the industries, sectors and regions in which foreign investment is encouraged and guided. On September 6, 2024, the NDRC and MOFCOM jointly promulgated the Special Administrative Measures for Foreign Investment Access (Negative List) (2024 Edition) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the "**2024 Negative List**"), which replaced the previous negative list. Under aforementioned regulations, foreign investors shall not invest in sectors prohibited by the negative list. Industries not included in the negative list are generally regarded as "permitted" for foreign investment.

Regulations Relating to Overseas Investment

On September 6, 2014, the MOFCOM promulgated the Measures for the Administration of Overseas Investment (《境外投資管理辦法》), the NDRC promulgated the Administrative Measures for Overseas Investment by Enterprises (《企業境外投資管理辦法》). The NDRC promulgated the Catalogue of Sensitive Sectors for Overseas Investment (2018 Edition) (《境外投資敏感行業目錄(2018年版)》), effective from March 1, 2018, which sets out in detail the current sensitive industries.

Under the foregoing regulations, the scope of approval-based administration covers sensitive projects carried out by an investing entity directly or through overseas enterprises it controls. Where an overseas investment involves sensitive countries or regions or sensitive industries, approval-based administration is implemented by the NDRC. Other overseas investments by enterprises are subject to record-filing administration.

On February 13, 2015, the SAFE published the Notice of the State Administration of Foreign Exchange on Further Simplifying and Improving Policies for the Foreign Exchange Administration of Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》), which cancelled the approval requirement for foreign exchange registration under overseas direct investment. Foreign exchange registration for overseas direct investment is handled directly by banks.

Foreign Exchange Regulations

Pursuant to the Regulations on the Foreign Exchange System of the People's Republic of China (《中華人民共和國外匯管理條例》) promulgated by the State Council on January 29, 1996 and last amended on August 5, 2008, and the Provisions on the Settlement and Sale of and Payment in Foreign Exchange (《結匯、售匯及付匯管理規定》) promulgated by the People's Bank of China on June 20, 1996, after relevant financial institutions have conducted a reasonable review of the authenticity of transaction documents and their consistency with foreign exchange receipts and payments, conversion of Renminbi for current account items such as payments for trade and services and dividend distributions is not restricted. However, conversion of Renminbi for capital account items such as direct investment, loans or investment in overseas securities requires prior approval from SAFE or its local branches.

According to the Notice on Issues Concerning the Foreign Exchange Administration of Overseas Listing (《關於境外上市外匯管理有關問題的通知》) promulgated by SAFE on December 26, 2014, a domestic company shall, within 15 working days from the completion of its overseas listing and issuance, complete overseas listing registration with the local SAFE at its place of registration. Funds raised by a domestic company from an overseas listing may be remitted back to the territory of China or retained overseas. Their use shall be consistent with the contents set out in this notice and other publicly disclosed documents.

Pursuant to the Notice of the State Administration of Foreign Exchange on Reforming and Regulating the Policies for the Administration of 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 SAFE on June 9, 2016, and the Notice of the State Administration of Foreign Exchange on Further Deepening Reforms and Facilitating Cross-Border Trade and Investment (《國家外匯管理局關於進一步深化改革促進跨境貿易投資便利化的通知》) promulgated by SAFE on December 4, 2023, foreign exchange income under capital accounts of domestic institutions is subject to a discretionary settlement policy. The relevant policies specify that capital account foreign exchange income eligible for discretionary settlement (including foreign exchange capital, external debt funds and funds repatriated from overseas listings) may be settled with banks based on the actual operational needs of domestic institutions. While implementing discretionary settlement of capital account foreign exchange income, domestic institutions may still choose to use their foreign exchange income under the payment-based settlement mechanism. However, when handling each settlement transaction under the payment-based settlement principle, banks are required to review the authenticity and compliance of the use of funds from the previous settlement transaction of the domestic institutions. Capital account foreign exchange income of domestic institutions and the Renminbi funds obtained from its settlement may not be used, directly or indirectly, for purposes outside the business scope of the enterprise or for purposes prohibited by national laws and regulations.

According to the Notice of the State Administration of Foreign Exchange on Optimizing Administration of Foreign Exchange to Support the Development of Foreign-related Business (《國家外匯管理局關於優化外匯管理支持涉外業務發展的通知》) promulgated by SAFE on April 10, 2020 eligible enterprises are allowed to use capital, external debt and income from overseas listings and other capital account income for domestic payments without the need to provide authenticity certification materials to banks on a transaction-by-transaction basis in advance.

On December 26, 2025, the PBOC and the SAFE jointly issued the Notice on Issues Concerning the Administration of Funds of Domestic Enterprises Listed Overseas (《關於境內企業境外上市資金管理有關問題的通知》) (the "**Notice**"), which shall come into effect on April 1, 2026. The key provisions of the Notice are as follows: the Notice unifies the management policies for RMB and foreign currency funds, clarifying that the funds raised by enterprises through overseas listings, as well as the proceeds from the reduction or transfer of shares by domestic shareholders of domestic enterprises after their overseas listings, may be repatriated in either foreign currency or RMB, and that for listed entities participating in the H-share "Full Circulation" program, dividends distributed to domestic shareholders shall be paid in RMB within the territory of the PRC; the Notice facilitates enterprises' domestic use of raised funds and management of exchange rate risks, specifying that foreign currency funds raised from overseas listings, if repatriated, may be freely converted into RMB for use at the enterprises' discretion and that listed entities may independently choose the means of managing exchange rate risks within the territory; the Notice simplifies administrative procedures, supporting banks as the main entities to directly handle the registration formalities for the overseas listings of domestic enterprises and appropriately extending the time limits for registrations related to IPOs, additional issuances, share reductions, and other matters; and the Notice further regulates the management of raised funds, stipulating that funds raised from overseas listings and proceeds from share reductions or transfers shall, in principle, be repatriated to the territory, that if there are remaining funds remitted overseas by shareholders for share subscriptions or if the relevant transactions are not completed, such funds shall be repatriated promptly.

Regulations Relating to Customs Declaration

Pursuant to the Customs Law of the People's Republic of China, promulgated by the NPC Standing Committee on January 22, 1987, and last amended on April 29, 2021, all means of transport, goods and articles must enter or leave the territory of China through locations where customs offices have been established. Consignors and consignees of import and export goods, or customs declaration enterprises entrusted by such consignors and consignees, may handle customs declaration and tax payment formalities. Consignors and consignees of import and export goods and customs declaration enterprises shall complete filing with Customs when handling customs declaration formalities; otherwise, they may be subject to fines imposed by Customs.

According to the Administrative Provisions on the Filing of Customs Declaration Entities of the People's Republic of China (《中華人民共和國海關報關單位備案管理規定》) promulgated by the General Administration of Customs of China (the "**GACC**") on November 19, 2021, consignors and consignees of import and export goods and customs declaration enterprises applying for customs filing shall have obtained market entity status. Where consignors and consignees of import and export goods apply for customs filing, they shall also have completed filing as foreign trade operators.

In addition, the Decision of the Standing Committee of the National People's Congress on Amending the Foreign Trade Law of the People's Republic of China, promulgated by NPC Standing Committee on December 30, 2022 and effective on the same date, removed the requirement that foreign trade operators engaging in the import or export of goods or technologies should register with the competent foreign trade department of the State Council or any institution entrusted thereby, i.e., the filing of foreign trade operators.

Pursuant to the Regulations of the People's Republic of China 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》) (the "**Regulations on the Administration of the Import and Export of Goods**") promulgated by the State Council on December 10, 2001, last amended on March 10, 2024, enterprises engaging in the import of goods into the territory of China or the export of goods from the territory of China must comply with the Regulations on the Administration of the Import and Export of Goods. Goods prohibited from import or export may not be imported or exported. Goods subject to import or export restrictions are subject to a licensing or quota administration system. Goods that are freely importable or exportable are not subject to restrictions.

Regulations Relating to Work Safety

Pursuant to the Work Safety Law of the People's Republic of China ("**Work Safety Law**") as last amended by the NPC Standing Committee on June 10, 2021, production and business operation entities shall, among other things, strengthen work safety management, establish and improve responsibility systems and rules related thereto, ensure investment increase in funds, materials, technology and personnel, improve operating conditions. Violations of the Work Safety Law may result in penalties such as fines, suspension of production or business operations, or orders to cease production or business operations. Where serious consequences are caused, criminal liability shall be pursued.

Pursuant to the Supervision and Administration Measures for the "Three Simultaneities" of Safety Facilities for Construction Projects (《建設項目安全設施「三同時」監督管理辦法》) promulgated by the former State Administration of Work Safety on April 2, 2015, safety facilities for new construction, renovation and expansion projects must be designed, constructed and put into production and use simultaneously with the main project.

Regulations Relating to Fire Safety

The Fire Protection Law of the People's Republic of China was promulgated by the NPC Standing Committee on April 29, 1998, and was last amended on April 29, 2021. The Interim Provisions on the Administration of Fire Protection Design Review and Acceptance of Construction Projects (《建設工程消防設計審查驗收管理暫行規定》) was first promulgated by the Ministry of Housing and Urban-Rural Development of the People's Republic of China (the "**MOHURD**") on April 1, 2020, last amended on August 21, 2023. According to the foregoing laws and provisions, special construction projects as defined under these provisions shall conduct fire protection design review and fire protection acceptance inspection, construction projects other than such special construction projects shall file fire protection acceptance of the project with competent authority.

Regulations Relating to Product Quality

Pursuant to the Product Quality Law of the People's Republic of China promulgated by the NPC Standing Committee on February 22, 1993 and last amended on December 29, 2018, producers shall be responsible for the quality of the products they manufacture, and product quality shall meet the following requirements: (i) there is no unreasonable danger endangering personal or property safety; where there are national standards or industry standards safeguarding human health and personal or property safety, such standards shall be complied with; (ii) the product shall exhibit the expected performance characteristics, except where defects in use performance have been expressly stated; and (iii) the product complies with the product standards indicated on the product or its packaging, and conforms to the quality conditions indicated by product descriptions, physical samples or other means.

Regulations Relating to Environmental Protection

The Environmental Protection Law of the People's Republic of China was promulgated by the NPC Standing Committee on September 13, 1979. It was last amended on April 24, 2014.

Pursuant to the Environmental Impact Assessment Law of the People's Republic of China, as last amended by the NPC Standing Committee on December 29, 2018 and effective from the same date; the Regulations on the Administration of Environmental Protection for Construction Projects (《建設項目環境保護管理條例》), as last amended by the State Council on July 16, 2017; and the Interim Measures for the Acceptance of Environmental Protection Facilities upon Completion of Construction Projects (《建設項目竣工環境保護驗收暫行辦法》) promulgated by the former Ministry of Environmental Protection of the People's Republic of China on November 20, 2017, China implements an environmental impact assessment system for construction projects. Before commencement of construction, a construction entity shall submit for approval an environmental impact report or an environmental impact report form, or, in accordance with the provisions of the competent environmental protection authority under the State Council, submit an environmental impact registration form for filing. In addition, upon completion of construction projects for which an environmental impact report or an environmental impact report form is required, the construction entity shall, in accordance with the standards and procedures prescribed by the competent environmental protection authority under the State Council, carry out acceptance of the supporting environmental protection facilities and prepare an acceptance report.

Regulations Relating to Air Pollution

Pursuant to the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, as last amended by the NPC Standing Committee on October 26, 2018 and effective from the same date, enterprises, public institutions and other business operators shall, in accordance with relevant PRC regulations and monitoring standards, monitor the industrial waste gas they discharge or the toxic and hazardous air pollutants listed in the catalogue set out in Article 78 of the said Law. Enterprises and public institutions that discharge industrial waste gas or the toxic and hazardous air pollutants listed in the aforesaid catalogue, as well as other entities subject to pollutant discharge permit administration in accordance with the law, shall obtain pollutant discharge permits. In addition, where enterprises, public institutions or other business operators construct projects that may affect the atmospheric environment, they shall conduct environmental impact assessments in accordance with the law and disclose the relevant environmental impact assessment documents. Where pollutants are discharged into the atmosphere, they shall comply with atmospheric pollutant emission standards and observe the requirements for total emission control of key atmospheric pollutants.

Regulations Relating to Solid Waste

Pursuant to the Law of the People's Republic of China on the 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》), as last amended by the NPC Standing Committee on April 29, 2020, any entity or individual that produces, collects, stores, transports, utilizes or disposes of solid waste shall take measures to prevent or reduce environmental pollution caused by the solid waste and shall bear legal liability in accordance with the law for any environmental pollution so caused. Where solid waste contains hazardous waste, it shall be disposed of in accordance with the relevant regulations on the administration of hazardous waste.

Regulations Relating to Water Pollution

Pursuant to the Law of the People's Republic of China on the Prevention and Control of Water Pollution, as last amended by the NPC Standing Committee on June 27, 2017, enterprises, public institutions and other production and business operators that directly or indirectly discharge industrial wastewater, medical wastewater, or other wastewater or sewage that, in accordance with regulations, may be discharged only upon obtaining a pollutant discharge permit, shall obtain the pollutant discharge permit.

Regulations Relating to Pollutant Discharge

Pursuant to the Regulations on the Administration of Pollutant Discharge Permits (《排污許可管理條例》), promulgated by the State Council and effective on January 24, 2021, and the Catalogue for Classified Management of Pollutant Discharge Permits for Fixed Pollution Sources (2019 Edition) (《固定污染源排污許可分類管理名錄(2019年版)》), promulgated by the Ministry of Ecology and Environment of the People's Republic of China on December 20, 2019, enterprises, public institutions and other production and business operators that are subject to pollutant discharge permit administration in accordance with the law shall apply for and obtain pollutant discharge permits as required; entities that have not obtained pollutant discharge permits may not discharge pollutants. Key pollutant discharge permit management shall be implemented for pollutant discharge entities with relatively large volumes of pollutant generation or discharge, or relatively significant environmental impacts. Simplified pollutant discharge permit management shall be implemented for pollutant discharge entities with relatively small volumes of pollutant generation or discharge and relatively minor environmental impacts. Pollutant discharge registration management shall be implemented for pollutant discharge entities with very small volumes of pollutant generation or discharge and minimal environmental impacts.

Regulations Relating to Cleaner Production

Pursuant to the Cleaner Production Promotion Law of the People's Republic of China (《中華人民共和國清潔生產促進法》), as last amended by the NPC Standing Committee on February 29, 2012, new construction, renovation and expansion projects shall undergo environmental impact assessment. Analyses and evaluations shall be conducted with respect to raw material use, resource consumption, comprehensive resource utilization, and the generation and disposal of pollutants. Priority shall be given to clean production technologies, processes and equipment with higher resource utilization efficiency and lower levels of pollutant generation.

Laws and Regulations Relating to Cybersecurity and Data Security

On July 1, 2015, the NPC Standing Committee promulgated the National Security Law of the People's Republic of China. Pursuant to this Law, the State establishes a national security review and regulatory system to conduct national security reviews of foreign investments, specific items, key technologies, network information technology products and services, projects involving national security matters, and other major activities that may affect national security.

On November 7, 2016, the NPC Standing Committee promulgated the Cybersecurity Law of the People's Republic of China (《中華人民共和國網絡安全法》) (the "**Cybersecurity Law**"). Pursuant to the Cybersecurity Law, network operators conducting business and service activities shall perform their obligations for cybersecurity protection.

To establish a data classification and tiered protection system and implement classified and tiered data protection, the NPC Standing Committee promulgated the Data Security Law of the People's Republic of China (《中華人民共和國數據安全法》) on June 10, 2021. Data processing activities shall be conducted in accordance with the provisions of laws and regulations, with sound, end-to-end data security management systems established, data security education and training organized, and corresponding technical measures and other necessary measures adopted to ensure data security.

On December 28, 2021, the Cyberspace Administration of China (the "**CAC**") and several other Chinese regulatory authorities jointly issued the Cybersecurity Review Measures (《網絡安全審查辦法》). Pursuant to the Measures, where critical information infrastructure operators procure network products and services, or network platform operators conduct data processing activities, which affects or may affect national security, a cybersecurity review shall be conducted.

Pursuant to the Regulations on the Administration of Network Data Security (《網絡數據安全管理條例》) (the "**Network Data Security Regulations**"), promulgated by the State Council on September 24, 2024, where network data processors conduct network data processing activities that affect or may affect national security, they shall undergo a national security review in accordance with relevant PRC regulations. The Network Data Security Regulations set out the conditions under which network data processors may provide personal information overseas pursuant to international treaties or agreements. Under the Regulations, data that has not been identified by relevant regions or departments, or publicly disclosed, as important data is not required to undergo a security assessment for cross-border transfer of important data.

The Personal Information Protection Law of the People's Republic of China (《中華人民共和國個人信息保護法》) (the "**Personal Information Protection Law**") was promulgated by the NPC Standing Committee on August 20, 2021. The Personal Information Protection Law defines the scope of personal information and the methods of processing personal information, establishes rules for personal information processing and for the cross-border provision of personal information, and clarifies the rights of individuals in personal information processing activities as well as the obligations of personal information processors. The CAC promulgated the Measures for Security Assessment of Data Exports (《數據出境安全評估辦法》) (the "**Security Assessment Measures**"). The Security Assessment Measures specifies the circumstances under which a security assessment for data exports must be applied for.

Regulations Relating to Real Estate and Construction Projects

The Civil Code of the People's Republic of China (the "**Civil Code**") was promulgated by the National People's Congress of the People's Republic of China on May 28, 2020. Pursuant to the Civil Code, the creation, modification, transfer and extinguishment of real property rights shall take effect upon registration in accordance with the law; where registration is not completed, such rights shall not take effect, except as otherwise provided by law.

The Land Administration Law of the People's Republic of China (the "**Land Administration Law**") was last amended by the NPC Standing Committee on August 26, 2019. Under the Land Administration Law, construction entities that obtain the right to use state-owned land through compensated use methods such as assignment shall only be entitled to use the land after paying, in accordance with the standards and methods prescribed by the State Council, the land use right assignment fees and other fees for the compensated use of land. Construction entities using state-owned land shall use the land in accordance with the provisions of the compensated use contract for land use rights, such as a land use right assignment contract, or the provisions of the approval document for land use right allocation. Where it is indeed necessary to change the approved land use purpose, consent shall be obtained from the competent natural resources authority of the relevant government and then reported to the government that originally approved the land use for approval. Where a change of land use purpose within an urban planning area is involved, consent of the relevant urban planning administrative authority shall be obtained prior to submission for approval.

Pursuant to the Real Estate Registration Interim Regulations (《不動產登記暫行條例》), as last amended by the State Council on March 10, 2024, and the Detailed Rules of Implementation of Real Estate Registration Interim Regulations (《不動產登記暫行條例實施細則》), as last amended by the Ministry of Natural Resources of the People's Republic of China on May 9, 2024 and effective from the same date, China implements a unified real property registration system, and that real property registration shall follow the principles of strict administration, stability and continuity, and convenience for the public.

The Interim Regulations of the People's Republic of China Concerning the Assignment and Transfer of the Right to the Use of the State-owned Land in the Urban Areas (《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》) was first promulgated by the State Council on May 19, 1990, last amended on November 29, 2020. An assignment contract shall be signed for assigning the right to the use of the land. The land user shall develop, utilize and operate the land in accordance with the provisions of the land use right assignment contract and the requirements of urban planning. Where the land is not developed or utilized in accordance with the time limits and conditions stipulated in the contract, the land administration department of the municipal or county-level people's government shall order rectification, and may, depending on the circumstances, impose penalties ranging from warnings and fines to the gratuitous recovery of the land use right. Where a land user needs to change the land use purpose stipulated in the land use right assignment contract, it shall obtain the consent of the assigning party, secure approval from the land administration department and the urban planning department, re-enter into the land use right assignment contract, adjust the land use right assignment fee, and complete registration formalities.

The Construction Law of the People's Republic of China (the "**Construction Law**") was first promulgated by the NPC Standing Committee on November 1, 1997, last amended on April 23, 2019. Pursuant to the Construction Law, prior to the commencement of construction works, the construction entity shall, in accordance with relevant state regulations, apply for and obtain a construction permit from the competent construction administrative authority of the people's government at or above the county level at the place where the project is located; however, this requirement does not apply to small-scale projects below the threshold determined by the competent construction administrative authority of the State Council. For construction projects for which a commencement report has been approved in accordance with the authority and procedures prescribed by the State Council, no construction permit is required. The construction entity shall commence construction within three months from the date of receipt of the construction permit. Where construction cannot commence on schedule due to justified reasons, an application for extension shall be submitted to the permit-issuing authority. Extensions are limited to two, each not exceeding three months. Where construction does not commence and no application for extension is made, or where the extended time limit is exceeded, the construction permit shall automatically become invalid.

The Measures for the Administration of Construction Permits for Construction Projects (《建築工程施工許可管理辦法》) was first promulgated by the former Ministry of Construction of the People's Republic of China in 1999, last amended by the MOHURD on March 30, 2021. Under the Measures, for the construction of various types of housing buildings and their ancillary facilities, and for the construction of urban municipal infrastructure projects within the territory of the PRC, the construction entity shall, prior to commencement, apply for and obtain a construction permit from the competent housing and urban-rural development authority of the local people's government at or above the county level at the place where the project is located. Construction projects with an investment amount of less than RMB300,000 or a building area of less than 300 square meters may be exempt from the requirement to apply for a construction permit. The housing and urban-rural development authorities of the people's governments of provinces, autonomous regions and municipalities directly under the Central Government may, based on local circumstances, adjust the above thresholds. For construction projects for which a commencement report has been approved in accordance with the authority and procedures prescribed by the State Council, no construction permit is required.

The Measures for Filing Regarding Acceptance Examination Upon Completion of Buildings and Municipal Infrastructure (《房屋建築和市政基礎設施工程竣工驗收備案管理辦法》) was promulgated by the MOHURD on October 19, 2009. Pursuant to the Measures, within 15 days after a project has passed completion acceptance, the construction entity shall, file the completion acceptance with the competent construction authority of the local people's government at or above the county level (the "**Filing Authority**") at the place where the project is located.

The Regulations on the Completion Acceptance of Housing Construction and Municipal Infrastructure Projects (《房屋建築和市政基礎設施工程竣工驗收規定》) was promulgated by the MOHURD on December 2, 2013. According to the Regulations, the completion acceptance of a project shall be organized and implemented by the construction entity.

Regulations Relating to Housing Lease Administration

Pursuant to (i) the Urban Real Estate Administration Law of the People's Republic of China (《中華人民共和國城市房地產管理法》) promulgated by the NPC Standing Committee on July 5, 1994, last amended on August 26, 2019, and (ii) the Measures for the Administration of Commercial Housing Leasing (《商品房屋租賃管理辦法》) promulgated by the MOHURD on December 1, 2010, where real property is leased, the lessor and the lessee shall enter into a written lease contract.

Both the lessor and the lessee shall, within 30 days after signing of the property lease contract, complete lease registration and filing formalities with the real estate administration department. Where the lessor and the lessee fail to complete the registration and filing procedures, both parties may be subject to fines.

Laws and Regulations Relating to Intellectual Property

Patents

Pursuant to the Patent Law of the People's Republic of China (the "**Patent Law**"), promulgated by the NPC Standing Committee on March 12, 1984, and last amended on June 1, 2021, and the Implementing Regulations of the Patent Law of the People's Republic of China (《中華人民共和國專利法實施細則》) (the "**Implementing Regulations of the Patent Law**"), promulgated by the State Council on January 19, 1985, and last amended on January 20, 2024. The term of protection for an invention patent is 20 years, the term of protection for a utility model patent is 10 years, and, effective from June 1, 2021, the term of protection for design patents with an application date on or after June 1, 2021 has been extended to 15 years, calculated from the application date. Any third party must obtain the consent of, or a proper license from, the patent right holder before using a patent. Unauthorized use of a patent constitutes patent infringement.

Trademarks

Pursuant to the Trademark Law of the People's Republic of China, promulgated by the NPC Standing Committee on August 23, 1982, last amended on April 23, 2019, and the Implementing Regulations of the Trademark Law of the People's Republic of China (《中華人民共和國商標法實施條例》), promulgated by the State Council on August 3, 2002, last amended on April 29, 2014, trademarks approved and registered by the Trademark Office are registered trademarks, including commodity trademarks, service trademarks, collective trademarks and certification marks. Registered trademarks are granted a validity period of 10 years commencing from the date of registration. Where a trademark registrant intends to continue using a registered trademark upon expiration of its validity period, renewal formalities shall be completed in accordance with regulations within 12 months prior to the expiration date.

Copyrights

Pursuant to the Copyright Law of the People's Republic of China (《中華人民共和國著作權法》), as last amended on November 11, 2020, and the Implementing Regulations of the Copyright Law of the People's Republic of China (《中華人民共和國著作權法實施條例》), as last amended on January 30, 2013, Chinese citizens, legal persons or unincorporated organizations enjoy copyright in their works, regardless of whether such works have been published. "Works" refer to original intellectual creations in the literary, artistic and scientific fields that can be expressed in a certain form. Copyright owners of protected works enjoy moral rights and property rights, including the right of publication, attribution, revision, integrity and other rights that copyright owners are entitled to enjoy.

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, amended on December 20, 2001 and January 30, 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, Chinese citizens, legal persons or other organizations enjoy copyright in software they have developed, regardless of whether such software has been published. Copyright in software arises upon completion of the software's development. For software owned by a legal person or other organization, the term of protection is 50 years, expiring on December 31 of the 50th year following the first publication of the software; however, where the software is not published within 50 years from the date of completion, it will no longer be protected.

Domain Names

Pursuant to the Measures for the Administration of Internet Domain Names (《互聯網域名管理辦法》), promulgated on August 24, 2017 and effective from November 1, 2017, the MIIT is the primary regulatory authority responsible for the administration of internet domain names in China. Domain name registration is handled through domain name root servers and their operating entities, domain name registration administration institutions and domain name registration service institutions established in accordance with relevant regulations.

Regulations Relating to Employment, Social Insurance and Housing Provident Fund

Employment

The principal laws and regulations governing employment relationships in China include the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China (the "**Labor Contract Law**") and its implementing regulations. These laws and regulations impose stringent requirements on employers with respect to, among other things, entering into fixed-term labor contracts, employing temporary workers and dismissing employees.

The Labor Contract Law was promulgated on June 29, 2007 and last amended on December 28, 2012. It primarily aims to regulate the rights and obligations of employers and employees. Pursuant to the Labor Contract Law, when establishing an employment relationship, the employer and the employee shall conclude a written labor contract. Where overtime work is arranged, employers shall pay overtime wages to employees in accordance with relevant state regulations. In addition, employees' wages shall not be lower than the local minimum wage standard and shall be paid to employees in a timely manner.

Pursuant to the Interim Provisions on Labor Dispatch (《勞務派遣暫行規定》), promulgated by the Ministry of Human Resources and Social Security of the People's Republic of China on March 1, 2014 and effective from the same date, the number of dispatched workers used by an employer shall not exceed 10% of its total workforce. Where rectification is not completed within the prescribed period, the employer may be fined between RMB5,000 and RMB10,000 per dispatched worker for the portion exceeding the 10% cap.

Social Insurance

The Social Insurance Law of the People's Republic of China (the "**Social Insurance Law**"), promulgated by the NPC Standing Committee on October 28, 2010, and most recently amended on December 29, 2018, establishes social insurance systems including basic old-age insurance, basic medical insurance, work-related injury insurance, unemployment insurance and maternity 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, most recently revised on March 24, 2019, enterprises shall register with local social insurance agencies and withhold and remit relevant social insurance premiums on behalf of their employees. Employers that fail to pay social insurance premiums in accordance with regulations may be ordered to make corrections and rectify the overdue payments within a prescribed period, and may also be subject to late payment fees. If the overdue payments are not rectified by the deadline, the relevant administrative departments may impose a fine of one to three times the amount in arrears.

Pursuant to the Interpretation II of the Supreme People's Court on Several Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》), which took effect on September 1, 2025, any agreement between an employer and an employee or any commitment made by an employee to the employer stating that social insurance premiums need not be paid shall be deemed invalid by the people's court. If an employer fails to pay social insurance premiums in accordance with the law, and the employee requests to terminate the labor contract and claims economic compensation pursuant to Article 38 Paragraph 3 of the Labor Contract Law, the people's court shall support such claims in accordance with the law. In the circumstances described in the preceding paragraph, if the employer subsequently pays the social insurance premiums in accordance with the law and requests the employee to return the compensation already paid for the social insurance premiums, the people's court shall support such requests in accordance with the law.

Housing Accumulation Funds

According to the Regulation on the Administration of Housing Accumulation Funds (《住房公積金管理條例》), promulgated by the State Council on April 3, 1999, and revised on March 24, 2002 and March 24, 2019, employers and employees shall timely and fully deposit housing accumulation funds, with the amount being no less than 5% of the employee's average monthly salary of the previous year. If an employer fails to pay by the deadline or underpays housing accumulation funds, the Housing Fund Management Center (住房公積金管理中心) shall order it to make the payments within a prescribed period. If it still fails to make the payments by the deadline, the Center may apply to the People's Court for compulsory enforcement.

If an employer fails to complete housing accumulation funds contribution registration or open housing accumulation fund accounts for its employees, the Housing Fund Management Center shall order it to complete the procedures within a prescribed period. If the employer fails to do so by the deadline, it shall be fined between RMB10,000 and RMB50,000.

Tax Regulations

Enterprise Income Tax

According to the Enterprise Income Tax Law of the People's Republic of China (the "**Enterprise Income Tax Law**"), promulgated by the NPC Standing Committee on March 16, 2007, most recently revised on December 29, 2018, a unified income tax rate of 25% shall apply to foreign-invested enterprises and foreign enterprises with establishments or places of business within the territory of China, as well as to Chinese enterprises. According to the Enterprise Income Tax Law, resident enterprises shall generally be subject to a unified enterprise income tax rate of 25% on their global income.

According to the Measures for the Administration of the Recognition of High and New Technology Enterprises (《高新技術企業認定管理辦法》), promulgated by the Ministry of Science and Technology, the MOF and the STA on January 29, 2016, enterprises recognized as high and new technology enterprises are entitled to a preferential enterprise income tax rate of 15%. Accordingly, the qualification as a high and new technology enterprise is valid for three years from the date of issuance of the certificate.

Value-Added Tax

Pursuant to the Interim Regulation of the People's Republic of China on Value Added Tax (《中華人民共和國增值税暫行條例》), most recently revised by the State Council on November 19, 2017, and the Value-Added Tax Law of the People's Republic of China (《中華人民共和國增值税法》) promulgated by the NPC Standing Committee on December 25, 2024, which became effective from January 1, 2026, enterprises and individuals engaged in sale of goods, services, intangible assets and immovables and importation goods within the territory of the People's Republic of China shall pay value-added tax. According the aforementioned law and regulation, the VAT rates applicable to ordinary taxpayers are 13% and 9%, 6%, and 0% and the VAT rate to which the simple tax computation method applies is 3%.

Dividend Tax

For individual investors

According to the Individual Income Tax Law of the People's Republic of China (the "**Individual Income Tax Law**"), most recently revised by the NPC Standing Committee on August 31, 2018, and the Regulation on the Implementation of the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得税法實施條例》, the "**Implementation Regulations of the Individual Income Tax Law**"), most recently revised by the State Council on December 18, 2018, dividends distributed by Chinese companies to individual investors are generally subject to a uniform 20% withholding income tax. In addition, according to the Notice on Issues Concerning Differentiated Individual Income Tax Policies on Dividends and Bonuses of Listed Companies (《關於上市公司股息紅利差別化個人所得税政策有關問題的通知》), promulgated by the MOF, STA, and CSRC on September 7, 2015 and effective from September 8, 2015, dividends and bonuses derived by individuals from publicly issued listed company shares are temporarily exempted from individual income tax if the shares are held for more than one year and transferred in the stock market. For individual investors' dividends derived from listed company shares that are obtained through public offerings and transferred in the stock market, if the holding period is within one month (inclusive), the full amount of dividend income shall be included in the taxable income; if the holding period is more than one month but within one year (inclusive), 50% of the dividend income shall be included in the taxable income. Personal income tax shall be levied on the aforementioned income at a unified rate of 20%.

According to the Arrangement Between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》), which became effective from August 21, 2006, the Chinese government may tax dividends paid by Chinese companies to Hong Kong residents (including natural persons and legal entities), but the tax amount shall not exceed 10% of the gross dividends payable. If a Hong Kong resident directly holds 25% or more of the equity in a Chinese company, and he/she is the beneficial owner of the dividends and satisfies other conditions, the relevant tax shall not exceed 5% of the gross dividends payable by the Chinese company.

For corporate investors

According to the Enterprise Income Tax Law and the Regulation on the Implementation of the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法實施條例》), most recently revised by the State Council on December 6, 2024, if a non-resident enterprise has not established an institution or place of business in China, or if it has established an institution or place of business in China but its income derived from China has no actual connection with such institution or place of business, it shall be subject to enterprise income tax at a preferential rate of 10% on its income derived from China (including dividends paid by Chinese resident enterprises whose shares are issued and listed in Hong Kong). The aforementioned income tax payable by non-resident enterprises shall be subject to withholding at source, with the payer as the withholding agent. The tax shall be withheld by the withholding agent from each payment or payment due.

According to the Notice on the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H-share Holders Which Are Overseas Non-resident Enterprises (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》), promulgated by STA on November 6, 2008, when Chinese resident enterprises distribute dividends (derived from profits generated in 2008 and thereafter) to non-Chinese resident enterprise shareholders of H-shares, enterprise income tax shall be withheld and paid at a rate of 10%. Pursuant to the Reply on the Collection of Enterprise Income Tax on Dividends from B-shares and Other Stocks Obtained by Non-resident Enterprises (《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 Taxation Administration on July 24, 2009 and effective from the same day, any Chinese resident enterprise whose shares (including A-shares, B-shares, and overseas shares) are listed on stock exchanges inside or outside China must withhold and pay enterprise income tax on dividends for 2008 and subsequent years distributed to non-resident enterprise shareholders at a unified rate of 10%.

According to the Arrangement Between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, the Chinese government may tax dividends paid by Chinese companies to Hong Kong residents (including natural persons and legal entities), but the tax shall not exceed 10% of the gross dividends payable by the Chinese company. If a Hong Kong resident directly holds 25% or more of the equity in a Chinese company, and he/she is the beneficial owner of the dividends and satisfies other conditions, the relevant tax shall not exceed 5% of the gross dividends payable by the Chinese company.

Taxes on Income from Equity Transfers

For individual investors

According to the Individual Income Tax Law and its regulations, individuals are subject to a 20% individual income tax on gains realized from the sale of equity in Chinese resident enterprises. According to the Notice on Temporarily Continuing to Exempt Individual Income Tax on Gains from Stock Transfers (《關於個人轉讓股票所得繼續暫免徵收個人所得稅的通知》), promulgated by the Ministry of Finance and the State Taxation Administration on March 30, 1998 and effective from the same day, individual income tax on gains from the transfer of listed company shares has been temporarily exempted since January 1, 1997. In the newly revised Individual Income Tax Law and Implementation Regulations of the Individual Income Tax Law, the State Taxation Administration does not explicitly stipulate whether the exemption of individual income tax on gains from the transfer of listed company shares continues.

For corporate investors

According to the Enterprise Income Tax Law and its regulations, if a non-Chinese resident enterprise has not established an institution or place of business in China, or if it has established an institution or place of business in China but its income derived from China has no actual connection with such institution or place of business, the non-Chinese resident enterprise shall be subject to enterprise income tax at a rate of 10% on its income derived from China (including gains from the sale of shares in Chinese resident enterprises). The aforementioned income tax payable by non-Chinese resident enterprises shall be subject to withholding at source, with the payer as the withholding agent. The tax shall be withheld by the withholding agent from each payment or payment due. Such tax may be reduced or exempted according to applicable tax treaties or arrangements.

Stamp Duty

According to the Stamp Tax Law of the People's Republic of China, promulgated by the NPC Standing Committee on June 10, 2021, all entities and individuals that execute taxable documents or engage in securities transactions within the territory of China are taxpayers of stamp duty and shall pay the corresponding tax. Entities and individuals that execute taxable documents outside China but use them within the territory of China shall also pay stamp duty.

Regulations on Securities and Overseas Listing

Securities Law and Regulations

The Securities Law of the People's Republic of China (the "**Securities Law**"), promulgated by the NPC Standing Committee on December 29, 1998, most recently revised on December 28, 2019, comprehensively regulates transaction activities in China's securities market, including the issuance and trading of securities, listed companies, stock exchanges, acquisitions of securities companies, and the responsibilities of securities regulatory bodies. The Securities Law further regulates the direct or indirect issuance and overseas listing of securities by enterprises within the territory of China, stipulating that such activities shall comply with the relevant regulations of the State Council, and that specific measures for shares subscribed and traded in foreign currencies by companies within the territory of China shall be separately stipulated by the State Council. The CSRC is a securities regulatory body established by the State Council, which supervises and administers the securities market in accordance with the law, maintains market order and ensures the lawful operation of the market.

Overseas Listing

The Trial Measures and its five guidelines promulgated by the CSRC on February 17, 2023. According to the Trial Measures, enterprises within the territory of China that directly or indirectly seek to issue and list their securities in overseas markets ("overseas issuance and listing") shall file with the CSRC and submit relevant documents such as filing reports and legal opinions. Depending on the specific circumstances, the Trial Measures require (among others) that (i) for an initial public offering or listing in an overseas market, a filing shall be submitted to the CSRC within three working days after the relevant application is submitted overseas; (ii) for subsequent issuance of securities by an issuer in the same overseas market where it previously issued and listed securities, a filing shall be submitted to the CSRC within three working days after the completion of the issuance; and (iii) for subsequent issuance or listing of securities by an issuer in an overseas market other than the place of previous issuance and listing, a filing shall be submitted to the CSRC within three working days after the relevant application is submitted overseas. If a Chinese company fails to complete the filing procedures, or if the filing documents submitted by the Chinese company contain false records, misleading statements, or major omissions, the Chinese company may be ordered to rectify, warned and fined, and its controlling shareholders, de facto controllers, directly responsible persons and other directly responsible personnel may also be fined.

The Measures also stipulates the reporting obligations of issuers when material events ("**Material Events**") occur after overseas issuance and listing. If any of the material events described below occurs after overseas issuance, the issuer shall submit a detailed report to the CSRC within three working days after the occurrence and public announcement of the relevant event: (i) change of control; (ii) investigation, penalty, or other measures by overseas securities regulatory authorities or relevant departments; (iii) change of listing status or listing board; (iv) voluntary or mandatory delisting. Furthermore, if there is a significant change in the issuer's main business and operations after overseas issuance and listing, such that the issuer no longer falls within the scope of filing requirements, the issuer shall submit a special report and a legal opinion issued by a law firm within the territory of China to the CSRC within three working days after the occurrence of the relevant change, to explain the relevant circumstances.

According to the Provisions on Strengthening the Confidentiality and Archives Administration Concerning the Overseas Securities Offering and Listing by Domestic Enterprises (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) promulgated by the CSRC, MOF, the National Administration of State Secrets Protection of the People's Republic of China and the National Archives Administration of China on February 24, 2023, if a domestic enterprise provides or publicly discloses, or provides or publicly discloses through its overseas listed entity, documents and data involving state secrets or work secrets of state organs to relevant securities companies, securities service institutions, overseas regulatory agencies, and other entities and individuals, it shall obtain approval from the competent department with approval authority in accordance with the law, and file with the national secrecy administrative department at the same level.

LAWS AND REGULATIONS RELATING TO OUR BUSINESS OPERATIONS IN HONG KONG

Import and Export Ordinance (Chapter 60 of the Laws of Hong Kong) (the "Import and Export Ordinance")

The Import and Export Ordinance provides for the regulation and control of the import of articles into Hong Kong, the export of articles from Hong Kong, the handling and carriage of articles within Hong Kong which have been imported into Hong Kong, or which may be exported from Hong Kong, and any matter incidental to or connected with the foregoing.

The import and export of certain articles are prohibited under sections 6C and 6D unless with the relevant licences which are issued under section 3 of the Import and Export Ordinance. Pursuant to section 6C of the Import and Export Ordinance, no person shall import any article specified in schedule 1 to the Import and Export (General) Regulations (Chapter 60A of the Laws of Hong Kong) except under and in accordance with an import licence issued by the Director-General of Trade and Industry under section 3 of the Import and Export Ordinance. Section 6D of the Import and Export Ordinance provides that no person shall export any article specified in the second column of schedule 2 to the Import and Export (General) Regulations to the place specified opposite thereto in the third column of the schedule except under and in accordance with an export licence issued by the Director-General of Trade and Industry under section 3 of the Import and Export Ordinance. Any person who contravenes sections 6C or 6D of the Import and Export Ordinance shall be guilty of an offense and liable to a fine of HK$500,000 and to imprisonment for two years on summary conviction, or a fine of HK$2,000,000 and to imprisonment for seven years on conviction on indictment.

During the Track Record Period and as at the Latest Practicable Date, our Group, through its Hong Kong subsidiary, Kinwong Electronic (Hong Kong) Limited (景旺電子(香港)有限公司), engages primarily in the sales of PCB products, and had not imported any articles which would contravene section 6C of the Import and Export Ordinance nor exported any articles which would contravene section 6D of the Import and Export Ordinance and is not required to obtain a licence under section 3 of the Import and Export Ordinance.

Import and Export (Registration) Regulations (Chapter 60E of the Laws of Hong Kong) (the "Import and Export Regulations")

Regulation 3 of the Import and Export Regulations sets out exemptions in respect of 4 and 5. Pursuant to regulation 4 of the Import and Export Regulations, every person who imports any article other than an exempted article shall lodge with the Commissioner of Customs and Excise an accurate and complete import declaration relating to such article using the specified system, in accordance with the requirements that the Commissioner of Customs and Excise may specify. Every declaration required to be lodged shall be lodged within 14 days after the importation of the article to which it relates.

Regulation 5 of the Import and Export Regulations requires that every person who exports or re-exports any article other than an exempted article shall lodge with the Commissioner of Customs and Excise an accurate and complete export declaration relating to such article using the specified system, in accordance with the requirements that the Commissioner of Customs and Excise may specify. Every declaration required to be lodged shall be lodged within 14 days after the exportation of the article to which it relates.

Any person fails or neglects to do such declaration as required under regulations 4 and 5 of the Import and Export Regulations within 14 days after the importation or exportation (as the case may be) of the article to which it relates without any reasonable excuse shall be liable to (1) a fine of HK$2,000 upon summary conviction; and (2) commencing from the date of conviction, a fine of HK$100 in respect of everyday during which his failure or neglect to lodge such declaration in that manners continues. Further, any person who knowingly or recklessly lodges any declaration with the Commissioner of Customs and Excise that is inaccurate in any material particular shall be liable on summary conviction to a fine of HK$10,000.

Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong) (the "Inland Revenue Ordinance") and Transfer Pricing

The taxation of corporations carrying on business in Hong Kong is governed by the Inland Revenue Ordinance. Hong Kong adopts a territorial source principle of taxation, under which only profits arising in or derived from Hong Kong are subject to profits tax. During the Track Record Period and as at the Latest Practicable Date, our Hong Kong subsidiary, Kinwong Electronic (Hong Kong) Limited (景旺電子(香港)有限公司), is subject to a profits tax rate of 8.25% on the first HK$2 million of assessable profits and 16.5% on the remaining profits.

As our Hong Kong subsidiary conducts trading transactions with other group companies located in different jurisdiction(s), we are also subject to the laws and regulations on transfer pricing in Hong Kong.

Section 20A of the Inland Revenue Ordinance gives the Inland Revenue Department of Hong Kong (the "**IRD**") wide powers to collect tax due from non-residents. The IRD may also investigate or make appropriate assessments and transfer pricing adjustments under Section 50 AAF of the Inland Revenue Ordinance, and make additional assessments under section 60 of the Inland Revenue Ordinance. The IRD may also challenge the entire arrangement under general anti-avoidance provisions according to sections 61 and 61A of the Inland Revenue Ordinance.

The Inland Revenue (Amendment) (No. 6) Ordinance 2018 (the "**Amendment Ordinance**") codifies the transfer pricing principles in relation to how the pricing for the supply of goods and services between associated parties should be determined and implemented. Departmental Interpretation and Practice Notes Nos. 45, 46, 48, 58, 59 and 60 issued by IRD set out its interpretations and practices in relation to transfer pricing and related issues.

Pursuant to the Amendment Ordinance, a person who have a Hong Kong tax advantage if taxed on the basis of a non-arm's length provision (the "**Advantaged Person**") will have income adjusted upwards or loss adjusted downwards. Section 50AAF of the Inland Revenue Ordinance stipulates that the Advantaged Person's income or loss is to be computed as if arm's length provision had been made or imposed instead of the actual provision. If the Advantaged Person fails to prove to the satisfaction of the assessor of the IRD that the person's income or loss as stated in the person's tax return is the arm's length amount, the assessor of the IRD must estimate an amount as the arm's length amount and, taking into account the estimated amount (a) make an assessment or additional assessment on the person; or (b) issue a computation of loss, or revise a computation of loss resulting in a smaller amount of computed loss, in respect of that person.

The Amendment Ordinance introduces a mandatory "three-tiered" transfer pricing documentation requirement in Hong Kong consisting of (a) Master File; (b) Local File; and (c) Country-by-country Report. The Amendment Ordinance provides two types of exemptions to entities that engage in transactions with associated enterprises from preparing Master File and Local File. In terms of size-based business exemption thresholds, a Hong Kong taxpayer meeting any two of the following three size-based business exemption thresholds for an accounting period is exempted from preparing the Master File and Local File for that accounting period: (a) Total annual revenue not exceeding HK$400 million; (b) Total value of assets not exceeding HK$300 million; or (c) Average number of employees not exceeding 100. In terms of volume-based related party transactions exemption thresholds, the threshold per accounting period for transfer of property (whether movable or immovable but excluding financial assets and intangible assets) is HK$220 million.

LAWS AND REGULATIONS IN THE UNITED STATES

U.S. Export Control Laws and Regulations

The Export Control Reform Act of 2018 authorizes the U.S. President to implement "dual-use" export controls. Pursuant to this statutory authority, the U.S. Department of Commerce, Bureau of Industry and Security ("**BIS**") administers the Export Administration Regulations ("**EAR**"), codified at 15 C.F.R. § 730 et seq. The EAR control the export, reexport, and transfer (in-country) of dual-use commodities, software and technology. The EAR apply to all items "subject to the EAR" as defined at EAR §§ 734.2 — 734.5. Items subject to the EAR include U.S.-made items and items physically in the U.S. as well as certain non-U.S. made items. The EAR applies to goods, software and technology subject to the EAR located anywhere in the world.

In October 2022, BIS issued an interim final rule (the "**BIS October 2022 IFR**") requiring license for exports, re-exports, or transfers of any item subject to the EAR when there is "knowledge" that the item is destined for end use in the development or production of integrated circuits at a fab in China that fabricates integrated circuits meeting certain criteria. The BIS October 2022 IFR was amended in October 2023 to strengthen export controls relating to advanced computing and semiconductor manufacturing equipment. On December 2, 2024, BIS issued an interim final rule and a final rule, which expanded controls in the EAR on advanced computing and semiconductor manufacturing items.

U.S. Sanctions

The U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**") administers regulations imposing economic sanctions on countries and designated individuals and entities. These regulations implement Executive Orders issued by the President primarily under the International Emergency Economic Powers Act ("**IEEPA**"). The United States maintains a set of complex restrictions on transactions involving embargoed countries and regions. As of the date of this prospectus, Cuba, Iran, North Korea, and the Crimea, Donetsk and Luhansk regions of Ukraine are the subject of comprehensive U.S. embargoes. Other sanctions programs target activities such as terrorism, drug trafficking, human rights, and other matters of importance to U.S. national security and foreign policy. There are also strict, "near-comprehensive" sanctions in place against certain other jurisdictions such as the Russian Federation. OFAC implements "primary" and "secondary" sanctions with specific restrictions unique to each individual sanctions program. Sanctioned persons are identified on OFAC's List of Specially Designated Nationals and Blocked Persons ("**SDN**"). All assets of SDNs are blocked and U.S. persons are generally prohibited from dealing with them absent an applicable OFAC license or exemption.

U.S. Tariffs

There have been changes in international trade policies and fluctuating political tensions between the U.S. and China. The U.S. government has made statements and taken certain actions that may lead to potential changes to U.S. and international trade policies towards China. In the first Trump Administration, the U.S. imposed wide-ranging tariffs on imports from China under Section 301 of the Trade Act of 1974, ranging from 7.5% to 25%, following an investigation into alleged technology transfer. Those tariffs, which first took effect in 2018, were extended under the Biden Administration and remain in effect today, subject to select exemptions granted by USTR. Starting from February 2025, the U.S. government imposed a series of tariff increases on imports from China, including two sets of tariffs under the IEEPA. In response to the multiple rounds of tariff increases by the U.S. government, China also announced several rounds of retaliatory tariffs on goods imported from the U.S. For example, the United States government imposed a 20% tariff to address the fentanyl issue, and, temporarily, a 125% reciprocal tariff on Chinese-origin goods. In May 2025, following a meeting between U.S. and Chinese officials in Geneva, the U.S. government suspended the heightened retaliatory "reciprocal" tariffs on China for 90 days, reducing such "reciprocal" rate to 10%, which was extended for 90 days by mutual agreement in August 2025. On November 1, 2025, the U.S. and China announced their agreement to relax certain tariff and other trade controls. The U.S. has lowered the tariffs on Chinese imports imposed to curb fentanyl flows by removing 10 percentage points of the cumulative rate of 20%, effective November 10, 2025, and continued its suspension of heightened reciprocal tariffs on Chinese imports until November 10, 2026. On February 20, 2026, the U.S. Supreme Court ruled that the President lacked authority to impose tariffs under IEEPA. The reciprocal and fentanyl tariffs imposed on goods imported from China are thus *void ab initio*, and the Group's goods imported into the U.S. are no longer subject to IEEPA tariffs. The Trump Administration has already sought to replace the IEEPA tariffs with a 10% tariff under Section 122 of the Trade Act, effective February 24, 2026.

OVERVIEW

Our Company was established in March 1993 when Mr. Liu Shaobai founded our business primarily focused on the PCB industry. He has been deeply involved in the PCB industry for over three decades. With his profound industry insights and long-term oriented strategic vision, Mr. Liu Shaobai has played a key role in driving our industrial layout and business development, and established a high-standard management system for us. We are a globally recognized PCB manufacturer driven by technological development and distinguished by our broad product offerings. Our PCB provides connectivity infrastructure for global customers in automotive electronics, telecommunication and data infrastructure, smart devices, industrial control and other sectors. With our PCB products and intelligent manufacturing capabilities, we have become a leader in the global automotive electronics PCB industry and one of the few suppliers of AI computing infrastructure core components. Our leading technical expertise and long-term oriented high-end production capacity in high build-up HDI and HLC PCB enable us to meet the diverse needs of our global customers and seize significant growth opportunities in the AI era.

In June 2013, our Company was converted into a joint stock limited company from a limited liability company. In January 2017, our A Shares became listed on the main board of the Shanghai Stock Exchange (stock code: 603228). See "— Major Shareholding Changes in Our Company — Listing on the Main Board of the Shanghai Stock Exchange" for further details.

As of the Latest Practicable Date, our total issued share capital was held as to approximately 56.01% by our Controlling Shareholders Group, including Jinghong Yongtai, Wise Able Investment, Yizhao Investment, Mr. Liu Shaobai, Ms. Huang Xiaofen, Ms. Cheuk Kwan and Mr. Liu Yu. See "Relationship with Our Controlling Shareholders Group" for the background of our Controlling Shareholders Group. The Controlling Shareholders Group will be entitled to exercise the voting rights attached to approximately 52.21% of our total issued share capital 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 Date).

KEY CORPORATE AND BUSINESS DEVELOPMENT MILESTONES

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

Year	Milestone
1993	We were established in Nanshan District of Shenzhen and began construction and production within the same year.
2003	We expanded and relocated our production base to Shenzhen's Bao'an District, significantly increasing our production capacity.
2004	We entered the FPC field, established our Shenzhen FPC plant and commenced R&D and production of FPC.
2006	We achieved ISO/TS 16949 certification from BSI, further aligned our quality systems with stringent standards.
2008	We commissioned the Longchuan PCB plant and achieved parallel development and scaled operations in both Longchuan and Bao'an.
2012	We broke ground on our Jiangxi production base, which is our first full-process, whole-plant, large-scale intelligent base.
2013	We converted into a joint stock limited company and completed shareholding reform.
2017	We were listed on the main board of Shanghai Stock Exchange (stock code: 603228).
2021	We commissioned the Jinwan production base (Zhuhai City, Guangdong Province) with a focus to build up our HLC & HDI production capacity.
2022	We exceeded RMB10 billion in revenue which marked our first "ten-billion" milestone.

Year	Milestone
2024	We broke ground on our Thailand factory which helped accelerate our diversification of international production capacity.
2025	We commenced our project on expanding AI computing power and high-end automotives high build-up HDI production capacity in Jinwan production base (Zhuhai City, Guangdong Province).

OUR MAJOR SUBSIDIARIES

The following entities were our Major Subsidiaries which had made a material contribution to our results of operation during the Track Record Period:

Name of subsidiary	Place of incorporation	Date of incorporation	Principal business activities	Equity interest attributable to our Group
Kinwong Electronic Technology (Longchuan) Co., Ltd. (景旺電子科技(龍川)有限公司)	PRC	June 13, 2006	Research and development, manufacturing and sales of PCB products	100.00%
Jiangxi Kinwong Precision Circuit Co., Ltd. (江西景旺精密電路有限公司)	PRC	September 22, 2011	Research and development, manufacturing and sales of PCB products	100.00%
Kinwong Electronic Technology (Zhuhai) Co., Ltd. (景旺電子科技(珠海)有限公司)	PRC	August 21, 2017	Research and development, manufacturing, and sales of PCB products	100.00%
Kinwong Electronic (Hong Kong) Limited (景旺電子(香港)有限公司)	Hong Kong	February 24, 2011	Sales of PCB products	100.00%
Kinwong Electronic (Thailand) Co., Ltd.	Thailand	October 24, 2023	Manufacturing and sales of PCB products	100.00%
Zhuhai Kinwong Flexible Circuit Co., Ltd. (珠海景旺柔性電路有限公司)*	PRC	April 19, 2004	Research and development, manufacturing and sales of PCB products	51.00%
Kinwong Electronic Technology (Ganzhou) Co., Ltd. (景旺電子科技(贛州)有限公司)	PRC	February 20, 2023	Manufacturing of PCB products	100.00%

* The other 49% issued shares of Zhuhai Kinwong Flexible is held by Luxshare Precision, which is a company listed on the Shenzhen Stock Exchange (stock code: 002475).

As of the Latest Practicable Date, our other subsidiaries were principally engaged in, among others, research and development, manufacturing of electronic devices, trading and investment holding. A summary of the principal activities of our subsidiaries incorporated during or before the Track Record Period is set out in Note 1 to the Accountants' Report as set out in Appendix I to this prospectus.

MAJOR SHAREHOLDING CHANGES IN OUR COMPANY

Establishment of our Company

On March 9, 1993, our Company was established in the PRC as a limited liability company with an initial registered capital of HKD5 million. The registered capital was contributed by two initial subscribers, namely Shenzhen Nanshan District Industrial Development Company (深圳市南山區工業發展公司) and Jingyu Development Co., Ltd. (京裕發展有限公司). Between 1999 and 2012, our Company underwent several rounds of capital increases and equity transfers, upon completion of which its registered capital was HKD65,000,000.

Conversion into Joint Stock Limited Company and Capital Increases

In June 2013, our Company was converted into a joint stock limited company from a limited liability company. Upon completion of the conversion, our Company had a total share capital of RMB156,000,000 divided into 156,000,000 Shares, which were held as to 42.2% by Jinghong Yongtai, 42.2% by Wise Able Investment, 6.4% by Dongguan Hengxin Industrial Investment Co., Ltd. (東莞市恒鑫實業投資有限公司), 5.0% by Shenzhen Jingjun Tongxin Investment Partnership (Limited Partnership) (深圳市景俊同鑫投資合夥企業(有限合夥)) and 4.2% by Shenzhen Jiashanxin Investment Partnership (Limited Partnership) (深圳市嘉善信投資合夥企業(有限合夥)).

In 2014, our Company underwent capital increases through the conversion of capital reserves and undistributed profits as of August 29, 2014, upon completion of which our registered capital increased to RMB360,000,000.

Listing on the main board of the Shanghai Stock Exchange

In January 2017, our A Shares were listed on the Shanghai Stock Exchange (stock code: 603228) (the "**A-Share Listing**"). Pursuant to the A-Share Listing, our Company issued an aggregate of 48,000,000 A Shares, accounting for approximately 11.765% of our Company's total share capital immediately following the completion of the A-Share Listing. Immediately upon the completion of the A-Share Listing, the share capital of the Company increased to RMB408,000,000.

Subsequent Shareholding Changes

Since our A-Share Listing in 2017, the share capital of our Company changed from time to time, including as a result of conversion of our convertible bonds, grant of restricted A Shares pursuant to our shares incentive schemes, share repurchases and cancellations related to our shares incentive schemes. For details of changes in share capital of our Company within the two years immediately preceding the date of this prospectus, see "Appendix IV — Statutory and General Information — (A) Further Information about our Group — 2. Changes in Share Capital of Our Company" to this prospectus. As of the Latest Practicable Date, the total issued share capital of our Company was 1,001,324,041 A Shares.

OUR LISTING ON THE SHANGHAI STOCK EXCHANGE AND REASONS FOR THE LISTING ON THE STOCK EXCHANGE

Since January 2017, our A Shares have been listed on the Shanghai Stock Exchange. Our Directors confirmed that, as of the Latest Practicable Date, we had no instance of material non-compliance with the rules of the Shanghai Stock Exchange and other applicable securities laws and regulations of the PRC, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the investors' attention in relation to our compliance record on the Shanghai Stock Exchange.

As of the Latest Practicable Date, our Directors confirmed that we had no instances of material non-compliance with the rules of the Shanghai Stock Exchange and other applicable securities laws and regulations of the PRC, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the investors' attention in relation to our compliance record on the Shanghai Stock Exchange. Our PRC Legal Advisor advised us that during the Track Record Period and up to the Latest Practicable Date, we have not been subject to any material administrative penalties or regulatory measures imposed by PRC securities regulatory authorities and we have complied with the relevant laws and regulations on A share listings applicable to us in all material respects. Based on the independent due diligence conducted by the Joint Sponsors and our PRC Legal Advisor's view, nothing has come to the Joint Sponsors' attention that would reasonably cause them to disagree with the Directors' confirmation with regard to the compliance records of the Company on the Shanghai Stock Exchange in any material respect.

Our Company seeks to be listed on the Stock Exchange in order to raise additional capital for expanding product portfolios, production capacity expansion, technology R&D, intelligent manufacturing, building international profile and strengthening talent pipeline. See "Business — Our Growth Strategies" and "Future Plans and Use of Proceeds" for more details.

ACTING-IN-CONCERT

On January 6, 2020, Jinghong Yongtai, Wise Able Investment, Mr. Liu Shaobai, Ms. Huang Xiaofen and Ms. Cheuk Kwan entered into an acting in concert agreement ("**Acting-in-concert Agreement**") pursuant to which, Mr. Liu Shaobai, Ms. Huang Xiaofen and Ms. Cheuk Kwan and their respectively controlled entities Jinghong Yongtai and Wise Able Investment shall act in concert to exercise their shareholder rights. On August 14, 2023, Mr. Liu Yu undertook to join the Acting-in-concert Agreement. Accordingly, Jinghong Yongtai, Wise Able Investment, Yizhao Investment (an entity in which Ms. Huang Xiaofen is the managing partner), Mr. Liu Shaobai, Ms. Huang Xiaofen, Ms. Cheuk Kwan and Mr. Liu Yu are the parties acting in concert. Ms. Huang Xiaofen is the wife of Mr. Liu Shaobai, and Mr. Liu Yu is the son of Mr. Liu Shaobai and Ms. Huang Xiaofen. In the event Ms. Cheuk Kwan and Ms. Huang Xiaofen/Mr. Liu Shaobai/Mr. Liu Yu fail to reach a consensus after sufficient communication, the voting rights subject to the acting-in-concert arrangements shall be exercised in accordance with the direction of the party who holds more Shares at that time, provided that the decision shall not solely harm the interest of the other party who holds less Shares at that time or solely confer benefits to the party who holds more Shares at that time. The Acting-in-concert Agreement will remain effective unless it is terminated unanimously by parties in writing.

Therefore, Jinghong Yongtai, Wise Able Investment, Yizhao Investment, Mr. Liu Shaobai, Ms. Huang Xiaofen, Ms. Cheuk Kwan and Mr. Liu Yu are considered as persons acting-in-concert in respect of our Company within the meaning of the Takeovers Code and will continue to act in concert with each other in the decision-making of our Group. Jinghong Yongtai, Wise Able Investment, Yizhao Investment, Mr. Liu Shaobai, Ms. Huang Xiaofen, Ms. Cheuk Kwan and Mr. Liu Yu, by virtue of the acting-in-concert arrangements among them, were collectively entitled to exercise the voting rights attaching to approximately 56.01% of our total issued share capital as of the Latest Practicable Date, and will be entitled to exercise the voting rights attached to approximately 52.21% of our total issued share capital immediately following the completion of the Global Offering.

SHARE INCENTIVE SCHEMES

In order to incentivize our employees, we adopted the 2024 Share Option and Restricted Share Incentive Plan and the 2026 Share Option and Restricted Share Incentive Plan. The total number of Shares that may be issued pursuant to the 2024 Share Option and Restricted Share Incentive Plan is no more than 22,399,000 A Shares, comprising 14,841,080 restricted Shares and Shares underlying 7,557,920 options. As of the Latest Practicable Date, the number of A Shares underlying the outstanding options granted under the 2024 Share Option and Restricted Share Incentive Plan is 2,302,723 A Shares which is approximately 0.23% of the total share capital, there is no outstanding restricted Share under the 2024 Share Option and Restricted Share Incentive Plan. The total number of Shares that may be issued pursuant to the 2026 Share Option and Restricted Share Incentive Plan is no more than 26,023,700 A Shares, comprising 20,469,900 restricted Shares and Shares underlying 5,553,800 options. As of the Latest Practicable Date, the number of A Shares underlying the outstanding options granted under the 2026 Share Option and Restricted Share Incentive Plan is 5,349,100 A Shares which is approximately 0.53% of the total share capital, there are currently 3,949,500 restricted Share reserved and will be further granted under the 2026 Share Option and Restricted Share Incentive Plan. See "Appendix IV — Statutory and General Information — (D) Share Option and Restricted Share Incentive Plans" for further details.

ISSUANCE OF CONVERTIBLE BONDS

On August 24, 2020, the Company conducted a public issuance of convertible bonds (the "**Jing 20 Convertible Bonds**") in the principal amount of RMB1.78 billion with a maturity period of 6 years, which was listed on the Shanghai Stock Exchange. Pursuant to the offering circular of the Jing 20 Convertible Bonds, the Jing 20 Convertible Bonds shall be convertible into A Shares at a specified conversion price as stipulated in the offering circular during the period from March 1, 2021 to August 12, 2024. On July 16, 2024, the Company resolved to exercise its conditional redemption rights under the Jing 20 Convertible Bonds to redeem all outstanding Jing 20 Convertible Bonds at the time at face value plus accrued interests. Up to the date of completion of the redemption on August 13, 2024, the Company's share capital increased by 78,715,683 A Shares as a result of the exercise of conversion right under the Jing 20 Convertible Bonds.

On April 4, 2023, the Company conducted a public issuance of convertible bonds (the "**Jing 23 Convertible Bonds**") in the principal amount of RMB1.154 billion with a maturity period of 6 years, which was listed on the Shanghai Stock Exchange. Pursuant to the offering circular of the Jing 23 Convertible Bonds, the Jing 23 Convertible Bonds shall be convertible into A Shares at a specified conversion price as stipulated in the offering circular during the period from June 1, 2023 to September 25, 2025. On September 9, 2025, the Company resolved to exercise its conditional redemption rights under the Jing 23 Convertible Bonds to redeem all outstanding Jing 23 Convertible Bonds at the time at face value plus accrued interests. Up to the date of completion of the redemption on October 9, 2025, the Company's share capital increased by 48,211,988 A Shares as a result of the exercise of conversion right under the Jing 23 Convertible Bonds.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

We did not carry out any major acquisitions, disposals or mergers during the Track Record Period and up to the Latest Practicable Date.

PUBLIC FLOAT

Upon Listing, to the best knowledge of the Company, a total number of 561,086,875 A Shares, representing approximately 52.23% of our Company's total issued Shares, held by Jinghong Yongtai, Wise Able Investment, Ms. Huang Xiaofen, Mr. Liu Shaobai and Mr. Deng Li will not be considered as part of the public float since they will be considered as our Company's core connected persons.

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 Shanghai Stock Exchange. The total number of the H Shares to be issued pursuant to the Global Offering represents 6.79% of the total issued share capital of our Company. Immediately following the completion of the Global Offering the total number of the H Shares expected to be held by the public represents approximately 6.79% of the total issued share capital of our Company, which is higher than the prescribed percentage of H Shares required to be held in public hands of 4.00% under Rule 19A.13A(2)(b) of the Listing Rules calculated based on the maximum Offer Price of HK$69.88 per H Share, respectively, and on the basis that the portion of H Shares that are held by the public, at the time of Listing, must have an expected market value of not less than HK$3,000,000,000 under Rule 19A.13A(2)(b) of the Listing Rules, thereby satisfying Rule 8.08(1) (as amended and replaced by Rule 19A.13A) of the Listing Rules.

FREE FLOAT

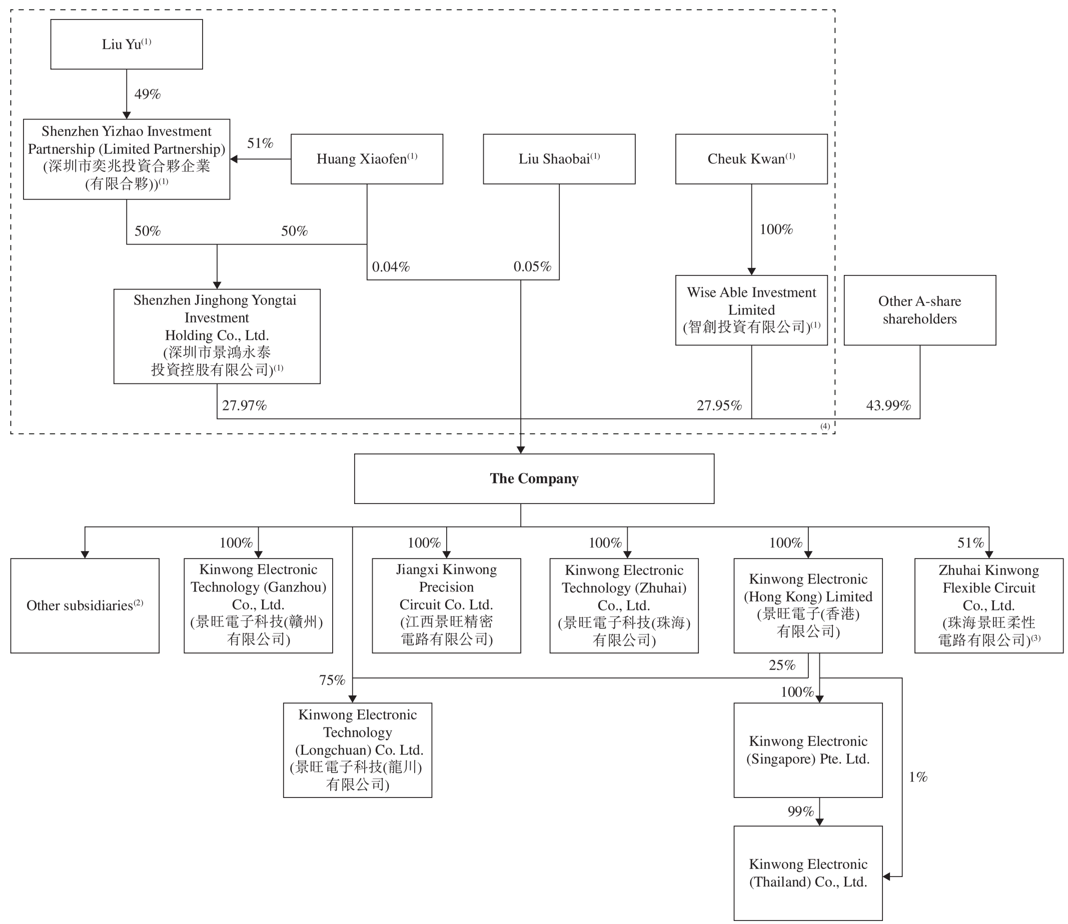
Rule 8.08A (as amended and replaced by Rule 19A.13C) of the Listing Rules provides that, where a new applicant is a PRC issuer with other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of listing, must: (a) represent at least 5% of the total number of issued shares in the class to which H shares belong at the time of listing (excluding treasury shares), with an expected market value at the time of listing of not less than HK$50,000,000; or (b) have an expected market value at the time of listing of not less than HK$600,000,000.

Immediately following the completion of the Global Offering the total market value of H Shares required to be held in public hands is expected to be approximately HK$5,097 million, calculated based on an Offer Price of HK$69.88 per H Share, being the maximum Offer Price, which is higher than the prescribed expected market value of H Shares required to be held in public hands of not less than HK$600,000,000. Therefore, the Company is expected to satisfy the free float requirement under Rule 8.08A (as amended and replaced by Rule 19A.13C) of the Listing Rules.

OUR SHAREHOLDING AND CORPORATE STRUCTURE

Shareholding and corporate structure immediately before the Global Offering

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



Notes:

(1) Jinghong Yongtai, Wise Able Investment, Yizhao Investment, Mr. Liu Shaobai, Ms. Huang Xiaofen, Ms. Cheuk Kwan and Mr. Liu Yu are our Controlling Shareholders Group. Ms. Huang Xiaofen is the wife of Mr. Liu Shaobai, and Mr. Liu Yu is the son of Mr. Liu Shaobai and Ms. Huang Xiaofen. See "Relationship with Our Controlling Shareholders Group" for further details.

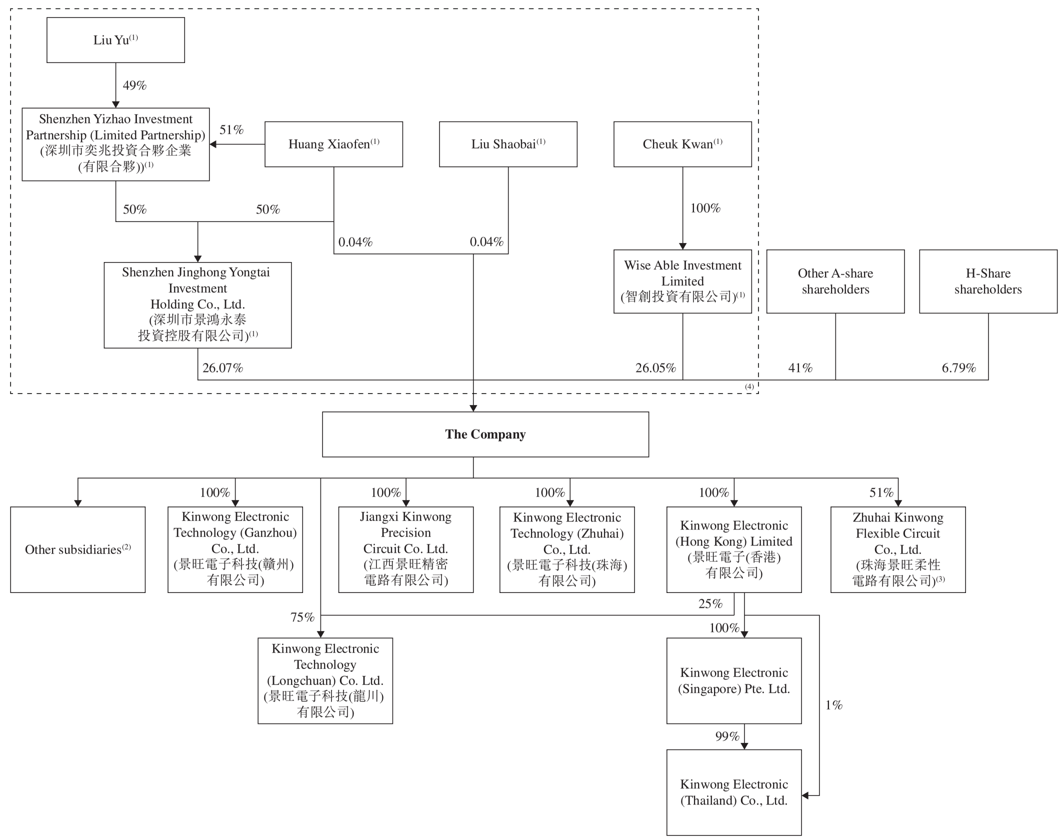
(2) As of the Latest Practicable Date, our Company had 18 subsidiaries, including our Major Subsidiaries. Please refer to note 1 to the Accountants' Report as set out in Appendix I to this prospectus for further details of the subsidiaries incorporated during or before the Track Record Period.

(3) Luxshare Precision Industry Co., Ltd. (立訊精密工業股份有限公司) holds 49% of the issued shares of Zhuhai Kinwong Flexible, a major subsidiary of the Company. Luxshare Precision is therefore a connected person at the subsidiary level of the Company.

(4) Jinghong Yongtai, Wise Able Investment, Yizhao Investment (an entity in which Ms. Huang Xiaofen is the managing partner), Mr. Liu Shaobai, Ms. Huang Xiaofen, Ms. Cheuk Kwan and Mr. Liu Yu are the parties acting in concert and our Controlling Shareholders Group.

Shareholding and corporate structure upon completion of the Global Offering

The following chart sets forth the shareholding and beneficial ownership structure of our Group immediately following the completion of the Global Offering, assuming that no changes are made to the issued share capital of the Company between the Latest Practicable Date and Listing:



Notes:

(1)-(4) See the respective notes to the corporate structure chart immediately prior to the completion of the Global Offering as set out above.

OVERVIEW

Who We Are

We are a globally recognized PCB manufacturer driven by technological development and distinguished by our broad product offerings.

PCB refers to a functional board with predefined conductive pathways or printed components formed on copper-clad laminate or insulating substrates, enabling precise circuit interconnection, low-loss signal transmission, and stable mechanical support. PCB can mainly be categorized into single- and double-sided PCB, MLPCB, HDI PCB, FPC and package substrates.

Our PCB provides connectivity infrastructure for global customers in automotive electronics, telecommunication and data infrastructure, smart devices, industrial control and other sectors. With our PCB products and intelligent manufacturing capabilities, we have become a leader in the global automotive electronics PCB industry and one of the few suppliers of AI computing infrastructure core components. Our leading technical expertise and long-term oriented, high-end production capacity in high build-up HDI and HLC PCB enable us to meet the diverse needs of our global customers and seize significant growth opportunities in the AI era.

According to CIC, we are the world's largest automotive electronics PCB provider with a market share of 10.6%, and rank eleventh among all PCB providers worldwide with a market share of 2.5% in terms of revenue in 2025. Eight of the top ten global Tier 1 automotive suppliers are our customers, and our PCB products are broadly deployed in vehicles of all of the top ten global automotive groups, according to CIC. We have the capability to supply all of the PCB required in a single vehicle. Our PCB products empower automotive intelligence and electrification, underscoring our technological leadership. We have achieved mass production of LiDAR boards, fifth and sixth-generation millimeter-wave radar boards, ADCU high build-up HDI motherboards and high-voltage resistant PCB for 400V/800V electrical platforms, and we are capable of manufacturing seventh-generation millimeter-wave radar boards, and autonomous driving multi-domain control HDI PCB.

We are among the few manufacturers supplying PCB to global leading AI computing infrastructure companies. We have achieved mass production of various high-end PCB for AI computing infrastructure and other applications, such as HLC PCB (over 40 layers), 6-build-up 22-layer HDI PCB, 14-layer HDI PCB using the mSAP process, and multilayer PTFE FPC. We are capable of manufacturing over 70 layers HLC PCB, 9-build-up 28-layer HDI PCB, 12-layer any-layer rigid-flex PCB and high-speed FPC. We have also commenced the customer certification process for 11-build-up HDI PCB. Our 9-build-up HDI PCB received customer certification within only 90 days, demonstrating our technological maturity and product reliability in the AI infrastructure field.

With over 30 years of development, we have expanded our business through strong R&D capabilities, a high-quality customer base, leading production capacity deployment, and advanced intelligent manufacturing. Our end markets have expanded from consumer electronics and industrial control into automotive electronics and, more recently, into advanced technology fields such as AI computing, next-generation communication, AIoT, drones and robotics. As a PCB product manufacturer serving multiple end markets, we are well-positioned to seize emerging business opportunities across multiple fields.

Recognized Industry Position

No. 1[1]
Global Automotive Electronics PCB Manufacturer (by Revenue in 2025)

No. 5[1]
Chinese Mainland PCB Manufacturer (by Revenue in 2025)

Top No. 11[1]
Global PCB Manufacturer (by Revenue in 2025)

High-Quality Customer Base

53[2]
Countries or Regions

80%[1][2]
Coverage of Global Top 10 Tier 1 Automotive Suppliers

10 years+[3]
Average Duration of Collaboration with Our Top 10 Customers[3]

Solid Financial Performance

14
Consecutive Years of Revenue Growth, CAGR 20.2%[4]

Approx. 40%[2]
Revenue from Overseas

RMB2.1 Billion, RMB2.3 Billion, RMB1.9 Billion and RMB0.5 Billion
Net Cash Flow from Operating Activities for 2023, 2024 and 2025 and the four months ended April 30, 2026

45%, 64% and 44%
Dividend Payout Ratio[5] for 2023, 2024 and 2025

Strong Technical Expertise

Manufacturing Capability for
Over 70 Layers HLC PCB, 9-Build-up 28-Layer HDI PCB, 12-Layer Any-layer Rigid-flex PCB and High-speed FPC

Manufacturing Capability for
Seventh-generation Millimeter-wave Radar Boards, and Autonomous Driving Multi-Domain Control HDI PCB

Achieve Mass Production of
Over 40 Layers N+N Structure PCB

Long-Term Oriented Production Capacity Deployment

6[3]
Production Bases

12[3]
Factories

RMB8.0 Billion[6]
Total amount invested in the Jinwan production base, which focuses on HLC PCB and high-build-up HDI PCB

RMB8.1 Billion
Capital Expenditures in Track Record Period

Notes:

(1) According to CIC

(2) During the Track Record Period

(3) As of April 30, 2026; the reference to "Top 10 Customers" means our top 10 customers of each period during the Track Record Period

(4) Since 2011, the year our financial statements became publicly available

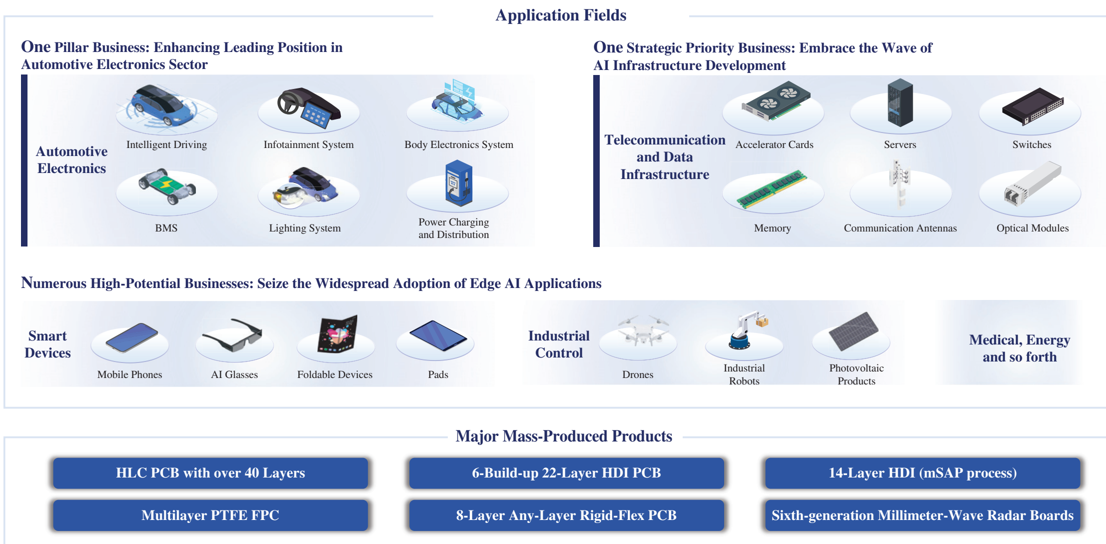
(5) Calculated by dividing the dividends for the corresponding year as declared in the following year by the profit for the corresponding year attributable to the shareholders of the Company

(6) From the commencement of construction in 2019 to April 30, 2026

We have demonstrated global market expansion capabilities and developed strategic partnerships with numerous renowned global enterprises. During the Track Record Period, we served over 800 customers globally, with products sold to 53 countries or regions.

Our Business

We hold a leading global position in automotive electronics PCB and are strategically focusing on the AI computing field. We have established a "1+1+N" business model, consisting of one pillar business — automotive electronics ("**1**"), one strategic priority business — telecommunication and data infrastructure ("**1**"), and a portfolio of high-potential businesses — smart devices and industrial control, among others ("**N**").



The following table presents a breakdown of our revenue by end markets of our products, both in absolute amounts and as percentage of our total revenue, for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentages)									
							(Unaudited)			
Sales of PCB products	**10,240,933**	**95.2**	**11,984,837**	**94.7**	**14,372,625**	**93.9**	**4,284,750**	**94.5**	**4,920,632**	**92.1**
Automotive electronics	4,374,962	40.7	5,814,180	45.9	6,952,940	45.4	2,081,155	45.9	2,357,219	44.1
Smart devices	3,258,094	30.3	3,672,758	29.0	3,705,202	24.2	1,142,521	25.2	1,051,002	19.7
Industrial control and medical devices	1,835,758	17.0	1,565,880	12.4	2,123,800	13.9	672,846	14.8	679,341	12.7
Telecommunication and data infrastructure	772,119	7.2	932,019	7.4	1,590,683	10.4	388,228	8.6	833,070	15.6
Others[(1)]	**516,369**	**4.8**	**674,536**	**5.3**	**935,427**	**6.1**	**248,863**	**5.5**	**420,760**	**7.9**
Total	**10,757,302**	**100.0**	**12,659,373**	**100.0**	**15,308,052**	**100.0**	**4,533,613**	**100.0**	**5,341,392**	**100.0**

Note:

(1) Mainly represent the sales of our production residues which contain copper in Chinese mainland.

In 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, our revenue from one pillar business – automotive electronics amounted to RMB4,375.0 million, RMB5,814.2 million, RMB6,952.9 million, RMB2,081.2 million and RMB2,357.2 million, respectively, and we generated revenue from one strategic priority business – telecommunication and data infrastructure of RMB772.1 million, RMB932.0 million, RMB1,590.7 million, RMB388.2 million and RMB833.1 million, respectively.

We offer a comprehensive PCB product portfolio, manufacturing and supplying single- and double-sided PCB, MLPCB, HDI PCB, FPC, MPCB and rigid-flex PCB. Our wide-range product portfolio enables us to penetrate customers' supply chains with specific products and deepen engagement through cross-selling multiple products. For example, our sales to automotive electronics customers typically start with RPCB, and then, propelled by our marketing efforts and the customers' actual needs, expand to other products such as FPC, HDI PCB and MPCB. In addition to the cross-selling strategy, our robust R&D capabilities enable us to empower our customers' R&D initiatives, ultimately delivering comprehensive one-stop PCB solutions. This approach not only lowers customers' supply chain management costs but also strengthens our customer retention and long-term growth potential. Our diversified product matrix also allows us to meet the PCB requirements of existing customers for new product development and to serve new customers across multiple industries, thereby capturing business opportunities in a wide spectrum of application fields.

Building on our accumulated technology and execution strengths, we have expanded into numerous emerging applications. Currently, our products are widely deployed across automotive electronics, telecommunication and data infrastructure, smart devices, industrial control and other sectors, forming our "1+1+N" business model.

- **One Pillar Business**: Automotive electronics is our pillar business, where we have accumulated broad technical capabilities and production management experience. Our automotive electronics PCB products are widely applied in ADAS, infotainment systems, body electronics systems, BMS, lighting systems, and power charging and distribution. Leveraging our comprehensive PCB product portfolio, we provide diverse and highly reliable PCB products for the automotive electronics sector, meeting the requirements for stable operation of automotive electronics PCB under complex conditions such as wide temperature and humidity ranges and continuous vibration. At the same time, we continuously strengthen our R&D and supply of HDI, high-frequency high-speed, heavy copper, and embedded PCB products to adapt to the ever-increasing demands for PCB performance driven by the trends of electrification and intelligentization, and higher power and thermal dissipation requirements of automobiles. We have established strategic partnerships with numerous key suppliers to promptly respond to the application needs of new materials and new equipment in automotive electronics PCB.

- **One Strategic Priority Business**: We position telecommunication and data infrastructure as our strategic priority business. We continue to develop our core technologies in material applications, manufacturing processes, and product architecture to meet the stringent requirements of AI infrastructure for high-speed signal transmission, ultra-low loss, and ultra-high wiring density in PCB. Starting with multilayer PTFE FPC products, of which we have established a technical advantage, we constantly explore new business opportunities and have made several critical advancements. For example, we expect to supply high-build-up HDI PCB and HLC PCB used in the next-generation AI servers of a leading global AI computing infrastructure company, where our products have already received customer certification.

- **Numerous High-Potential Businesses**: We also have built a solid business foundation in multiple high potential fields, including smart devices, industrial control, medical devices, and energy. According to CIC, seven of the top ten global smartphone brands are our customers. With the continuous development of edge AI applications, these sectors are expected to experience an increase in both total demand for PCB and demand for high-end PCB. As a well-recognized global PCB manufacturer, we enjoy a first-mover advantage in product reliability, timely delivery, technological development, and end customer base, positioning us to benefit from the trend of edge AI applications. For example, we supply PCB for AI glasses.

Our Market Opportunities

The PCB industry continues to benefit from a global wave of technological advancement, presenting opportunities for both breakthroughs in innovation and expansion. As the AI era accelerates, data centers, high-speed Internet communications and other AI infrastructure are experiencing a rapid build-out. Catalyzed by AI technology, downstream applications, such as automotive electronics, smart devices, and industrial control, are advancing in intelligent upgrades and evolving into edge AI applications. Together, these trends are injecting strong growth momentum into the PCB sector, diversifying demand and expanding the overall market. According to CIC, in terms of revenue, the global PCB market is expected to grow from US$85.2 billion in 2025 to US$123.3 billion in 2030, representing a CAGR of 7.7%.

- **Explosive Investment Cycle of AI Infrastructure**: Driven by the rapid development of technologies such as AI, cloud computing, and the Internet of Things, global demand for data communication and computing power is surging, accelerating the construction, iteration, and upgrading of data infrastructure. As AI servers increasingly demand high-end PCB featuring high speed, multilayer, and HDI capabilities, the data infrastructure PCB industry is shifting toward high end and high value-added products. In addition, to meet the data exchange requirements of large-scale GPU clusters with high bandwidth and low latency, the port density and bandwidth of switches continue to increase, which will further drive the demand for high-end PCB. According to CIC, the size of the global AI server PCB market size, in terms of revenue, is expected to grow from US$6.2 billion in 2025 to US$18.5 billion in 2030, with a CAGR of 24.3% from 2025 to 2030. In terms of revenue, the global switch PCB market is expected to grow from US$6.8 billion in 2025 to US$14.2 billion in 2030, with a CAGR of 16.0% from 2025 to 2030.

- **Wave of Automotive Electrification and Intelligence**: The global automotive industry is rapidly transitioning towards electrification and intelligence. Coupled with ongoing technological upgrades and product mix optimization, this transition is providing continuous growth momentum for automotive electronics PCB. High-power application scenarios brought by electrification are driving the demand for high-reliability PCB such as heavy copper multilayer PCB and ceramic substrates PCB. Such high-reliability PCB features higher resilience to high and low temperature as well as high voltage. For example, some of these high-reliability PCB products show a resistance value change of less than 10% after 1,000 cycles of testing under a temperature range of -40°C to 150°C. Certain high-reliability PCB products maintain insulation resistance of above 100MΩ after undergoing the conductive anodic filament resistance test under 85°C/85RH/1,000V conditions for 1,000 hours. At the same time, increasing levels of intelligent driving are driving greater PCB value in core components — such as millimeter-wave radar and domain controllers — providing additional demand for HLC PCB and HDI PCB. According to CIC, the global automotive electronics PCB market, measured by revenue, is expected to reach US$13.0 billion by 2030, with a CAGR of 6.2% from 2025 to 2030.

- **Penetration of AI Technology in Smart Devices**: As AI and flexible display technologies advance, smart devices are moving towards higher intelligence, thinness, flexibility, and integration, spurring continuous product iteration and upgrade cycles. This is steadily driving demand for higher value-added PCB, particularly HDI PCB and rigid-flex PCB, and prompting manufacturers to shift product portfolios toward premium products. According to CIC, the global smart device PCB market, measured by revenue, is expected to reach US$51.0 billion by 2030, with a CAGR of 5.1% from 2025 to 2030.

With a long-standing, comprehensive presence across automotive electronics, telecommunication and data infrastructure, smart devices, industrial control and other sectors, we have built leading technical capabilities and long-term oriented high-end production capacity. We believe that we are well prepared to capture the broad market opportunities ahead.

Our Financial Performance

We achieved rapid revenue and profit growth in 2023, 2024 and 2025. Our revenue was RMB10,757.3 million, RMB12,659.4 million and RMB15,308.1 million in 2023, 2024 and 2025, respectively. Our gross profit was RMB2,492.3 million, RMB2,877.7 million and RMB3,304.9 million in 2023, 2024 and 2025, respectively, and our gross profit margin was 23.2%, 22.7% and 21.6% in 2023, 2024 and 2025, respectively, as the increase in raw material prices, particularly the rising price of copper, and the ramp-up of our new production bases partially offset the benefits of our revenue growth. Our profit for the year was RMB911.0 million, RMB1,160.2 million and RMB1,244.0 million in 2023, 2024 and 2025, respectively. Our revenue continued to increase to RMB5,341.4 million for the four months ended April 30, 2026 from RMB4,533.6 million for the four months ended April 30, 2025, while our gross profit increased from RMB937.4 million for the four months ended April 30, 2025 to RMB1,001.2 million for the four months ended April 30, 2026. Our gross profit margin decreased from 20.7% to 18.7% over the same periods, which was primarily due to (i) the continued increase in prices of key raw materials, in particular the sustained elevation of prices of copper clad laminates and (ii) the initial ramp-up of our new production bases, where fixed costs were absorbed over lower initial output volumes. Our profit for the period decreased to RMB316.9 million from RMB424.3 million over the same periods. We maintain healthy cash flow, with net cash from operating activities of RMB2,115.5 million, RMB2,289.6 million, RMB1,931.2 million and RMB493.4 million in 2023, 2024, 2025 and the four months ended April 30, 2026, respectively.

We have achieved ongoing progress in high-end products and key applications. Revenue from our HDI PCB reached RMB1,237.7 million in 2025, representing a year-on-year growth of 45.8%, with its contribution to total revenue increasing to 8.1%. In 2025, our revenue from the telecommunication and data infrastructure sector reached RMB1,590.7 million, representing a year-on-year increase of 70.7%, with its share of total revenue rising to 10.4%. As we continue to make progress in areas such as AI, we expect the revenue contribution of the telecommunication and data infrastructure sector to further increase.

We have delivered shareholder returns. We paid dividends of RMB423.6 million, RMB420.9 million and RMB740.4 million in 2023, 2024 and 2025, respectively. Our dividend payout ratio was 45.0%, 64.0% and 44.0% in 2023, 2024 and 2025, respectively.

OUR COMPETITIVE STRENGTHS

Strong Market Reputation, Comprehensive Product Portfolio and Continuous Technological Innovation

We are a globally recognized PCB manufacturer and a leader in the global automotive electronics PCB industry, which enables us to build competitive advantages in supply chain management and business development. According to CIC, in terms of revenue in 2025, we were the eleventh largest PCB manufacturer worldwide and the fifth largest PCB manufacturer in Chinese mainland, and the world's largest automotive electronics PCB manufacturer. We enjoy a prestigious reputation in the global PCB market and thus have substantial competitive edges. We have built stable strategic partnerships with suppliers, continuously improving supply chain stability and our bargaining power. Moreover, we are trusted by global customers and actively participate in the new product development of key customers to seize emerging business opportunities.

We have a broad product portfolio, enabling us to customize PCB products with diverse substrate structures for customers in various application fields. We are committed to providing PCB products to global customers across automotive electronics, telecommunication and data infrastructure, smart devices, industrial control and other sectors. We possess a deep understanding of PCB products with different substrate structures, offering RPCB, FPC, rigid-flex PCB and MPCB. We also have cross-category design capabilities, providing customized PCB solutions based on customer needs. Through our broad product portfolio, we meet the needs of customers in various fields, and by leveraging our cross-category design capabilities, we create differentiated value for our customers, thereby enhancing our business potential and customer loyalty.

We advance both our own development and that of the broader PCB industry through technological development. We have contributed to the formulation of international industry standards, including the "Sectional Design Standard for Flexible Printed Boards" and the "Specification for Printed Circuit Board with Buried or Embedded Copper Coin". Our "R&D of Key Technologies for 800G Ultra-High-Speed Optical Module PCB" and "Overall Manufacturing Technology for High-speed Interconnect Cables and High-build-up HDI PCB Products for Data Centers" have been recognized as internationally leading technologies, while several of our other key technologies have reached the internationally advanced level. In addition, some of our products and technologies have been awarded the China Patent Excellence Award and the First Prize of China Machinery Industry Science and Technology Award.

Leveraging a Precise Strategic Layout to Seize Multi-dimensional Growth Opportunities

We have consistently focused on our core PCB business, using a precise strategic layout to expand product boundaries, scale production capacity prudently and sustain steady growth for our "1+1+N" business model. This approach has allowed us to capture opportunities across consumer electronics, automotive electronics and telecommunication, successfully delivering sustainable development throughout market cycles. In 2004, we strategically entered into the FPC field, successfully seizing the market opportunities that emerged during the transition from feature phones to smartphones. Based on the anticipated development trends in the automotive industry, we established a production base in Jiangxi as early as 2014 to manufacture PCB products for automobiles. In 2017, we began developing products such as fifth-generation millimeter-wave radar boards, successfully capitalizing on the opportunities presented by the trends of automotive electronification, electrification, and intelligentization, becoming a global leader in automotive electronics PCB. According to CIC, we are among the first PCB manufacturers worldwide to develop fifth, sixth and seventh generation millimeter-wave radar boards. In 2019, we proactively established a new production base for HLC PCB and high-build-up HDI PCB, laying the foundation to seize opportunities in AI. We have achieved 14 consecutive years of revenue growth, with a 14-year CAGR of 20.2%.

The rapid penetration of AI and development of cloud computing are driving the growth in global demand for computing power, ushering the data-infrastructure PCB market into a new growth cycle. Beyond computing power, continuous AI enablement is accelerating the development of edge AI applications, creating substantial growth potential.

We will continue to leverage our strengths in strategic planning, and uphold our core value of being "customer-centric". Leveraging ongoing progress in advanced electronic hardware and long-term oriented production capacity deployment, we are well positioned to capture market opportunities.

- **AI Computing Power:** Leveraging our material application know-how and processing capabilities in telecommunication and adjacent areas, we have achieved mass production capabilities for M7-to-M9 high-speed material-based products and have mastered the multilayer PTFE FPC processing capabilities, which are uncommon in the industry. We have the capability to manufacture HLC PCB with over 70 layers. We also have the manufacturing capability to manufacture 9-build-up 28-layer HDI PCB, offering wiring density two to three times that of traditional HDI PCB to meet the requirements of advanced AI chips for ultra-high routing density, high-speed signal integrity and high integration interconnectivity. We are also accelerating the R&D of 11-build-up HDI PCB, upgrading product specifications such as line width, line spacing, and blind-hole diameter to the industry forefront and positioning ourselves for the next generation of AI computing products. According to CIC, we are one of the few suppliers of multilayer PTFE PCB for leading global AI computing infrastructure companies' advanced GPU products, and as of April 30, 2026, we were one of only two FPC suppliers for their AI server liquid cooling systems.

- **Edge AI Applications:** AI is catalyzing growth in humanoid robots and drones. We are building on our customer base and technical capabilities in automotive electronics, and we further extend our business layout to cultivate new growth engines. The sensor technology, control systems, and algorithms for target recognition and path planning accumulated by players in the automotive manufacturing field provide meaningful technical references for humanoid robots and drones in the three core areas of perception, decision-making, and execution. Leading automotive players are accelerating their expansion into these emerging sectors which share common technological root and have overlapping supply chain, driving the industry-wide evolution. As a leading PCB supplier within the automotive industry value chain, we hold the distinctive advantages in edge AI applications.

Robust R&D Capabilities, Achieving Technological Evolution in Multiple Aspects

We place a high emphasis on R&D and innovation, and have built strong technical and R&D capabilities through sustained investment. Our R&D expenses were RMB600.7 million, RMB757.6 million and RMB929.9 million in 2023, 2024 and 2025, respectively. For the four months ended April 30, 2025 and 2026, our R&D expenses amounted to RMB272.3 million and RMB280.7 million, respectively. As of April 30, 2026, our R&D team consisted of 2,582 members, with expertise comprehensively covering material applications, manufacturing processes, and product architecture. As of April 30, 2026, we held 409 patents, with several core patents commercialized for advanced applications, including those for AI computing, automotive intelligent driving, satellite communication, and smart devices. Our technical and R&D capabilities offer leading advantages in the following areas:

- **Comprehensive R&D System:** We have implemented the IPD process to drive efficient cross-functional collaboration throughout the R&D lifecycle. Each R&D project is jointly advanced by cross-departmental teams. This end-to-end coordination — from project initiation to mass production — enhances our development efficiency and commercial implementation capabilities.

- **Advanced Testing Capabilities:** We have established a central testing center, with industry-leading testing capabilities. This testing center is certified by the China National Accreditation Service for Conformity Assessment (CNAS) and meets the requirements of the ISO/IEC 17025 standard, providing strong technical support for the validation of new technologies and the monitoring of product producing process.

- **Cross-Category Design Capability:** With comprehensive expertise in RPCB, FPC, rigid-flex PCB and MPCB technologies, we benefit from cross-category PCB development synergies. We customize PCB products with differentiated substrate stack-up to meet customers' specific structural and functional requirements. For example, when a customer faced high PCB design complexity due to limited internal product space, we utilized our cross-category design capability to customize a heterogeneous integrated PCB combining "RPCB + FPC + aluminum-based board", resolving the spatial design challenge and reducing supply chain management costs for the customer through our comprehensive design support.

Through continuous R&D investment, we pursue comprehensive technological development across material applications, manufacturing processes, and product architecture to enhance product value:

- **Material Application:** We have advanced material application capabilities and maintain a comprehensive materials database that enables rapid material selection during product design and development. We conduct systematic research on materials that support high-frequency, high-speed transmission and high thermal dissipation, allowing us to deliver PCB products for core AI applications. We have achieved mass-production level processing capabilities for M7-to-M9-grade and PTFE materials based PCB products. In addition, we are conducting research and validation on higher-performance materials according to customer needs, including next-generation ultra-low-loss high-speed materials such as M9+ grade materials.

- **Manufacturing Process:** We have developed advanced processing capabilities, including 0-4 mil stub back-drilling technology, dynamic current density/waveform high-aspect-ratio plating technology, and Z-axis interconnect technology, that meet stringent requirements for high-speed signal transmission and ultra-low loss in AI infrastructure PCB. We are also conducting in-depth research in key areas such as high-build-up HDI processing, ultra-high-layer alignment control, back-drilling stub control, high-precision impedance control, signal simulation, and signal integrity control. Building on these processes, we have established industry-leading, mass-production-ready manufacturing systems for HLC PCB, high-build-up HDI PCB, and other advanced and prospective products, supporting product introduction, customer development, and order acquisition in high-end application fields.

- **Product Architecture:** Our architecture capabilities are at an advanced industry level and support designs that meet the performance and integration needs of advanced scenarios such as AI computing power. Our embedded process integrates copper coins within the board, enabling effective system integration, sufficient thermal dissipation, and efficient space saving. Our embedded ceramic and embedded magnetics technologies enhance PCB space utilization, signal transmission efficiency, and reliability. We have conducted extensive research on rigid-flex PCB stack-up and have achieved mass production of any-layer rigid-flex PCB and multilayer rigid-flex PCB.

Strategic Partnerships with Global Customers Who Are Industry Leaders

With stable operations of over 30 years, we have developed a substantial base of high-quality customers across multiple downstream markets, which has reinforced our industry reputation and broadened our commercial reach. Our stable, long-term partnerships with customers contribute to revenue visibility and enhance our ability to capture incremental opportunities as end markets evolve.

Our deep partnerships with global customers who are industry leaders have strengthened our business foundation. With our exceptional technical capabilities and stringent quality standards, we have earned the long-term trust of numerous blue-chip customers worldwide and established long-term strategic relationships with them. According to CIC, eight of the top ten global Tier 1 automotive suppliers and seven of the top ten global smartphone brands are our customers. The average duration of our collaboration with the top ten customers of each year of the Track Record Period exceeds ten years, which reflects our high customer retention rate. Given that our downstream end markets generally feature extended qualification cycles, high technical barriers and stringent quality requirements, customers will face significant cost if switching suppliers.

Working with industry leaders gives us strong competitive advantages driving our innovation and expanding our addressable opportunities. Industry leaders typically maintain high technical requirements and long-term oriented product roadmaps. Through our long-standing partnerships across multiple sectors, we continuously enhance our execution capability by elevating service quality, aligning R&D investments with industry trends and customer needs, collaborating on new product development and proactively scaling production capacity. This virtuous cycle enables us to extend our solutions into adjacent applications and serve a broader range of customers.

We maintain deep collaborative relationships with customers to co-develop advanced products. With global customers who are industry leaders, we participate in joint R&D programs that include signal simulation, material performance benchmarking and reliability testing, and we help address critical design and manufacturing challenges. This engagement allows us to contribute during the early phase of product definition and design, and supports consistency, quality reliability and delivery stability through trial and mass production. In addition, joint R&D programs help us gain priority access to opportunities for mass introduction of new products. We have collaborated with customers on the development of ultra-high-layer high-speed PCB and ultra-heavy copper ($\geq$6OZ) ultra-high layer count PCB.

Production Capacity Closely Aligned with Market Trends, Covering Global Markets

We pursue a long-term oriented production capacity strategy that is tightly aligned with demand in high-potential, high-end segments. We have built a scalable production capacity system spanning our full product portfolio and multiple geographies, enabling reliable global delivery. This differentiated footprint positions us to capture emerging opportunities as technology roadmaps accelerate.

We have established high-end production capacity reserves to meet ultra-high performance requirements for AI PCB. At our Jinwan production base (Zhuhai City, Guangdong Province), we have upgraded the process technologies of our existing HLC and HDI facilities and are constructing a new high-end HDI plant to further expand our high-build-up HDI and HLC PCB production capacity for applications such as AI servers. In parallel, we are accelerating the construction of our Thailand production base to enhance our "glocalization" capability with additional high-end production capacity. Against a backdrop of global undersupply for ultra-high aspect-ratio and ultra-high layer count PCB and high-build-up HDI PCB used in AI computing, our high-end production capacity positions us to serve the rapidly growing demand driven by AI adoption.

We are well equipped with industry-leading critical tools to meet stringent AI computing application's requirements. Leveraging strong supply-chain management and strategic partnerships with top-tier global equipment suppliers, we have outfitted key sites such as Jinwan production base (Zhuhai City, Guangdong Province) with advanced equipment, including laser drilling machines, PLB horizontal plating lines, CT penetration tester, and CCD back-drilling machines. Such equipment, which typically entails extended supplier lead time, is strategically configured to support the material performance, precision processing and reliability standards required in AI computing, thereby reinforcing our competitiveness in high-end AI PCB manufacturing.

We have built broad production capacity deployment with full-product, cross-regional coverage. Domestically, our six production bases in Jinwan (Zhuhai City, Guangdong Province), Longchuan (Heyuan City, Guangdong Province), Jishui (Ji'an City, Jiangxi Province), Xinfeng (Ganzhou City, Jiangxi Province), Shenzhen (Guangdong Province), and Fushan (Zhuhai City, Guangdong Province) span a wide-range product set, including single and double-sided PCB, MLPCB, HDI PCB, FPC, MPCB and rigid-flex PCB. Internationally, we are advancing production capacity in Thailand to enhance global delivery capability and resilience. The result is a full-product, cross-regional and sustainable supply platform designed to support customers worldwide and to scale with next-generation technology cycles.

Advanced Intelligent Manufacturing System Ensuring Efficient, Flexible and High-Quality Delivery

We have built an intelligent manufacturing system centered on digitalization and automation to achieve efficient, flexible and high-quality delivery. Our full stream digitalized production management architecture spans production planning, equipment parameterization, in-process quality inspection, and logistics execution, enabling closed-loop, data-driven process control and materially improving operating efficiency. We introduced a planning and control system centered on TOC to achieve precise production scheduling and bottleneck management, ensuring continuous and stable precision delivery. Across multiple bases, automated guided vehicles (AGVs) and other intelligent logistics equipment, automated high-bay warehouse, customized equipment, and real-time data services are deployed at scale, advancing our operations toward highly automated, intelligently coordinated production. Aligned with our "carbon neutrality by 2050" vision, we have embedded ESG considerations into our manufacturing design and daily operations. In 2025, we received an AA rating from Wind ESG and a BB rating in our debut MSCI ESG assessment.

We adhere to a "quality-first" philosophy and have established a comprehensive quality assurance framework to drive stability and consistency. Our facilities hold leading international certifications, including ISO9001, IATF16949, ISO14001, ISO45001, ISO27001, ISO13485, the RBA Code of Conduct, ANSI/ESD S20.20 for electrostatic discharge control, covering process discipline, operation safety, and compliance. Quality control is embedded end-to-end — from design verification and process control to reliability testing — with extensive application of automated inspection and intelligent traceability. We leverage AI-based image recognition and Statistical Process Control to reduce error rates and enhance process stability. We have deployed IoT platform with increasing connectivity to our core equipment. Our digital-twin capabilities are applied to critical processes to support full-process traceability and rapid anomaly diagnosis, improving risk identification and response speed. For the inspection stage, we deploy advanced instrumentation, including dual-beam focused ion beam microscopes, computed tomography, and ultrasonic scanners. We are also equipped with a 110GHz vector network analyzer, enabling high-frequency signal integrity analysis.

Visionary Management Team and Established Corporate Culture

Our management team combines strategic foresight with disciplined execution, serving as the engine of our sustained advancement. Mr. Liu Shaobai, our founder and the chairman of the Board, has been deeply involved in the PCB industry for over three decades. With his profound industry insights and long-term oriented strategic vision, Mr. Liu Shaobai has played a key role in driving our industrial layout and business development, and established a high-standard management system for us in terms of capital, quality and talent, laying a solid foundation for our continued success. Mr. Liu Yu, our CEO, has served the Company for 14 years. He carries out our long-term strategy forward by accelerating our global footprint and upgrading our technology stack. Through leading the high-end production capacity expansion and overseas customer development, he has enhanced our competitive edge in high end PCB markets, accelerated growth in AI infrastructure, and extended our leadership in edge AI applications — opening new, high-quality growth pathways.

Depth of experience and organizational continuity are hallmarks of our leadership bench. The majority of our executives have risen from frontline roles to core decision-making positions, with an average tenure exceeding 15 years. This sustained commitment preserves organizational continuity, strengthens alignment with our strategic direction and values, and enhances the foresight and execution behind key decisions. In parallel, we continuously refine our promotion framework to support dual-track development in both managerial and professional pathways. We place strong emphasis on incentive mechanisms designed to share the Company's long-term value creation with employees to drive performance.

We operate through coordinated, cross-functional teams supported by mature management mechanisms that enable rapid resource integration, reuse of technical know-how across products, and timely execution from solution design to mass production. This model supports effective delivery across multiple business lines.

Our culture is grounded in the core value of "customer oriented, caring value creators, self-reflection, integrity, responsibility, cooperation, innovation", together with the operation philosophy of "people foremost, manufacturing competitive products, expanding the enterprise, repaying the society", to support sustainable, long-term growth.

OUR GROWTH STRATEGIES

We will continue to embrace the "AI+" industry trend, stick to customer-centric philosophy, and proactively adapt to industry change through ongoing product innovation and technology upgrades. We will prioritize customers who are industry leaders and high value-added solutions, further consolidating and enhancing our market position through executing the following growth strategies:

Capture Industry Opportunities and Prioritize Investment in AI Business

As the AI era accelerates, we will further increase strategic investment in our AI businesses to strengthen overall competitiveness across the AI value chain. Our plan includes the following priorities.

- **Enhance Business Model to Address Demand from AI Infrastructure:** We will enhance our technical capabilities and high-end production capacity in PCB products for AI servers and high-end interconnection applications, with an emphasis on expanding production capacity for high-layer, high-speed PCB to meet the needs of AI servers, high-end switches, and data centers. We will also expand our high-end HDI production capabilities to produce PCB for high-reliability AI servers, thereby increasing our share of supply to AI customers who are industry leaders and raising the proportion of high-end products in our PCB product portfolio.

- **Build a Cloud-to-Edge, Full-Scenario AI Product Matrix:** We will extend our diversified AI layout and advance a dual-track product strategy spanning cloud and edge, encompassing a complete product line from cloud computing and small workstations to intelligent driving and AI consumer terminals. In tandem, we will upgrade our high-end multilayer PCB production lines, strengthen our product innovation, and establish a closed-loop AI product ecosystem that underpins the industry-wide upgrades in the intelligent connectivity era.

- **Deepen Collaboration with Industry Leaders:** We will actively collaborate with global AI infrastructure (such as computing chips, servers and data centers, and network equipment) customers who are industry leaders. By engaging early in product roadmapping and pre-research, we will be able to respond rapidly to customer requirements and reinforce our strategic partnerships to jointly capture fast-growing market opportunities.

Focus on Automotive Intelligent Driving as a High-Potential Edge AI Application Scenario

Advances in large models and end-to-end algorithms are making automotive intelligent driving a prime deployment scenario for AI, with substantial market potential. We will pursue the following strategies.

- **Leverage Automotive Customer Advantages:** As the world's largest automotive electronics PCB provider, we serve eight of the top ten global Tier 1 automotive suppliers, according to CIC. We will maintain close engagement with these customers, proactively shape solutions, and deepen collaboration models. We will prioritize PCB demand upgrades driven by intelligent driving — covering perception systems (such as radar and cameras) and computing units (such as in-vehicle systems and intelligent driving controllers). Our deep, stable relationships across the automotive value chain provide us with a first-mover advantage.

- **Repurpose Reusable Underlying Technologies:** We have accumulated know-how in material applications, manufacturing processes and product architecture. As edge AI applications, such as automotive intelligent driving, demand higher standards for PCB, automotive electronics PCB will trend towards having more layers, higher build-ups, and the extensive application of high-speed materials. We will leverage our existing technologies to quickly and efficiently position ourselves to take advantage of these developing application scenarios.

Increase R&D Investment to Consolidate Our Technological Leadership

We will continue to increase our R&D investment in core underlying technologies, progressively expand our research institute, and attract and cultivate more R&D talents. This will provide a solid foundation for expanding high-end markets, winning orders, and accelerating product introduction.

- **Material Application:** We plan to closely follow market trends and conduct R&D and verification on PCB using next-generation ultra-low loss, high-speed materials to meet the requirements of advanced computing power. We plan to drive the development of the applications of low-loss, high-voltage-resistant, high thermal conductivity, and high-reliability materials, focusing on the electrification and intelligentization of automobiles. This initiative aims to meet the evolving demands for high reliability, thermal dissipation and high integration in automotive electronics.

- **Manufacturing Process:** We will advance key process technologies, including high-end HDI processing, ultra-high-layer alignment, back-drilling stub control, high-precision impedance control, signal simulation and signal integrity control, signal transmission line manufacturing precision and consistency, improvement on layers alignment, dielectric uniformity, and embedded process technologies.

- **Product Architecture:** We will track product iterations of global leaders in AI computing infrastructure and develop PCB architectures that cater to their performance and integration requirements, enabling more efficient interconnects, higher bandwidth, and higher reliability.

Strategically Deploy High-End Production Capacity to Meet Rapid Demand Surges

To serve accelerating demand for HLC PCB, high-build-up HDI PCB, and other products across AI computing power, high-speed networking, intelligent driving, and edge AI applications, we will reinforce our production capacity advantages.

- **Accelerate High-End Production Capacity Expansion and Upgrade Product Mix:** We will focus on the upgrade of HLC PCB and high-build-up HDI PCB production lines, as well as the construction of related new facilities at our Jinwan production base (Zhuhai City, Guangdong Province), enhancing both the production capacity and technical capability of our high-end PCB portfolio.

- **Advance Digital Transformation and Operational Excellence:** Through "digital twin" applications, we will drive intelligent upgrades across the production lifecycle to develop highly automated, high-yield, fully traceable smart factories. We will comprehensively upgrade our equipment, information systems, and quality control systems to set a new benchmark for digital manufacturing in the industry.

- **Strengthen Talent Foundation to Underpin Advanced Production Capacity:** We will center on building advanced production capacity and uphold a people-centric philosophy. Through diversified mechanisms — including talent acquisition, internal development, and equity-based incentives — we will ensure a precise match between talent capabilities and the needs of advanced manufacturing, thereby laying a solid talent foundation for our production capacity upgrades.

Promote Global Footprint and Improve International Competitiveness

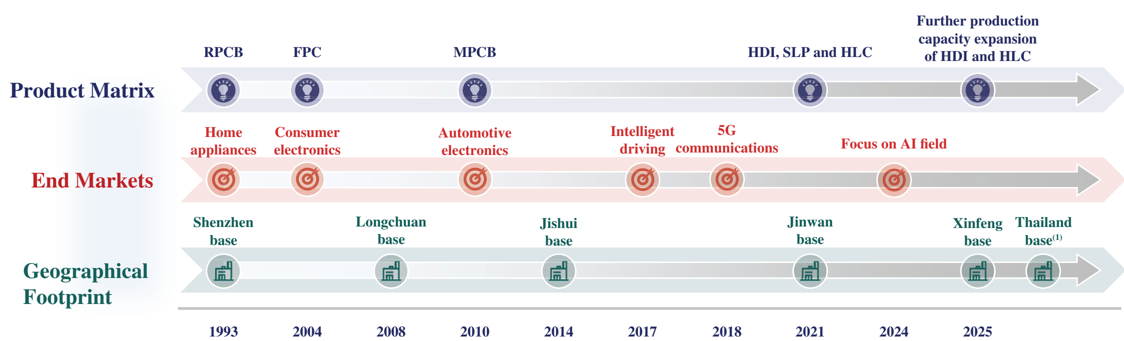
To capture global opportunities, we will push forward our strategy of internationalization to build up cross-regional, differentiated, and sustainable global operation and presence, that improve our global competitiveness and influence.

- **Expand Overseas Production Bases:** We will expedite the construction and commissioning of overseas production facilities in Thailand, focusing on the production of HLC and HDI PCB for overseas customers in automotive electronics and AI servers and data centers to improve the local capabilities of delivery and service.

- **Integration of Global Customer Service Management:** We will establish a global leadership system centered on our headquarters and implement a consistent management system of global customer service and relationship management. This will enhance the professionalism and responsiveness of our regional teams and ensure we provide a high-standard, integrated service and delivery, continuously improving global customer satisfaction and loyalty.

- **Global Talent Acquisition:** To support the implementation of our strategies, we will prioritize talent acquisition in core overseas markets. We will implement systematic training programs for international talent in key regions to build a robust foundation for global talent integration and cross-cultural collaboration.

OUR EVOLUTION



Note:

(1) Under construction

Our development, manufacturing and sales of PCB products date back to our inception in 1990s. Our long journey features expansion in terms of the product matrix, end markets and geographical footprint.

Product Matrix

We started our business in Shenzhen with a focus on RPCB products in 1993, which was followed by a series of strategic expansions in terms of product portfolio. We commenced production of FPC products in 2004 and MPCB products in 2010, profoundly expanding our product matrix and customer reach by additional product offering. In 2021, we further marched into the field of high-end PCB products by launching production of HDI, SLP and HLC products in our Jinwan production base (Zhuhai City, Guangdong Province). In August 2025, we announced that we planned to invest additional RMB5.0 billion in the high-end production capacity expansion of our Jinwan production base (Zhuhai City, Guangdong Province), particularly the high-end HDI production capacity, so as to better cover the downstream fields, particularly AI servers. Based on our current best estimate, which remains subject to further adjustments, such expansion is expected to be completed in the last quarter of 2027. Today we have expanded our product matrix to a comprehensive portfolio of PCB products, including (i) RPCB comprising single- and double-sided PCB, MLPCB and HDI PCB, (ii) FPC, and (iii) other PCB comprising MPCB and rigid-flex PCB.

End Markets

We have closely monitored the market trend to explore and capture new opportunities ushered in by emerging end markets and applications. At our inception in 1993, we were focused on addressing the demand for PCB from the home appliances market. In 2004, our end-market reach expanded to cover consumer electronics, particularly mobile phones, in response to the emerging demand for PCB from this industry. In 2010, we further marched into the automotive electronics industry and have since developed premium products to meet customer demand. For example, in 2017 we developed fifth-generation millimeter-wave radar boards to capitalize on the development trend of intelligent driving. According to CIC, we were the world's largest automotive electronics PCB provider in terms of revenue in 2025. Furthermore, we achieved end-market expansion to cover 5G communications in 2018 to leverage the rapid development of this market. In light of the enormous growth opportunities brought by the rise of AI and high-performance computing in recent years, we have well established our position as one of the few suppliers of AI computing infrastructure core components with our products and intelligent manufacturing capabilities, thereby fully capitalizing on the significant AI market opportunities.

Geographical Footprint

Since our inception, we have continuously expanded our geographical presence and are committed to building a diversified footprint. Our Longchuan production base (Heyuan City, Guangdong Province) commenced operation in 2008, Jishui production base (Ji'an City, Jiangxi Province) commenced operation in 2014, Jinwan production base (Zhuhai City, Guangdong Province) commenced operation in 2021, and Xinfeng production base (Ganzhou City, Jiangxi Province) commenced operation in 2025, further expanding our domestic geographical coverage. We launched our international expansion by constructing our Thailand production base, which is mainly intended to satisfy the demand of our overseas customers for high-end products. Its construction commenced in October 2024 and it is expected to commence operation in 2026. As of April 30, 2026, we had a diversified geographical footprint comprising six production bases in Guangdong and Jiangxi Provinces in Chinese mainland, and one additional production base under construction in Thailand. Our geographical footprint has enabled us to expand our customer base and deliver products more reliably, sustainably, and efficiently by leveraging a geographically diversified supply chain.

OUR PRODUCTS

We develop, manufacture and sell a comprehensive range of PCB products to meet diverse customer needs, including: (i) RPCB comprising single- and double-sided PCB, MLPCB and HDI PCB, (ii) FPC, and (iii) other PCB comprising MPCB and rigid-flex PCB. According to CIC, we were the world's largest automotive electronics PCB provider with a market share of 10.6%, and rank eleventh among all PCB providers worldwide with a market share of 2.5% in terms of revenue in 2025. Eight of the top ten global Tier 1 automotive suppliers are our customers, and our PCB products are widely applied in the vehicle products of all the top ten global automotive groups, according to CIC. We serve customers spanning a range of downstream sectors, including the automotive electronics, smart devices, industry control and medical devices, and telecommunication and data infrastructure sectors.

The following table presents a breakdown of our revenue by end markets of our products, both in absolute amounts and as percentages of our total revenue, for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentages)						*(Unaudited)*			
Sales of PCB products	**10,240,933**	**95.2**	**11,984,837**	**94.7**	**14,372,625**	**93.9**	**4,284,750**	**94.5**	**4,920,632**	**92.1**
Automotive electronics	4,374,962	40.7	5,814,180	45.9	6,952,940	45.4	2,081,155	45.9	2,357,219	44.1
Smart devices	3,258,094	30.3	3,672,758	29.0	3,705,202	24.2	1,142,521	25.2	1,051,002	19.7
Industrial control and medical devices	1,835,758	17.0	1,565,880	12.4	2,123,800	13.9	672,846	14.8	679,341	12.7
Telecommunication and data infrastructure	772,119	7.2	932,019	7.4	1,590,683	10.4	388,228	8.6	833,070	15.6
Others[1]	**516,369**	**4.8**	**674,536**	**5.3**	**935,427**	**6.1**	**248,863**	**5.5**	**420,760**	**7.9**

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentages)									
							(Unaudited)			
Total	**10,757,302**	**100.0**	**12,659,373**	**100.0**	**15,308,052**	**100.0**	**4,533,613**	**100.0**	**5,341,392**	**100.0**

Note:

(1) Mainly represent the sales of our production residues which contain copper in Chinese mainland.

The table below sets forth a breakdown of the average selling price of our PCB products by end markets for the periods indicated:

	Year Ended December 31,			Four Months Ended April 30,
	2023	2024	2025	2026
	(RMB per sq.m.)			
Automotive electronics	1,028	1,043	1,023	1,029
Smart devices	1,210	1,348	1,532	1,522
Industrial control and medical devices	958	927	981	1,005
Telecommunication and data infrastructure	1,152	1,203	1,569	2,309
Total	**1,074**	**1,114**	**1,160**	**1,224**

Automotive Electronics

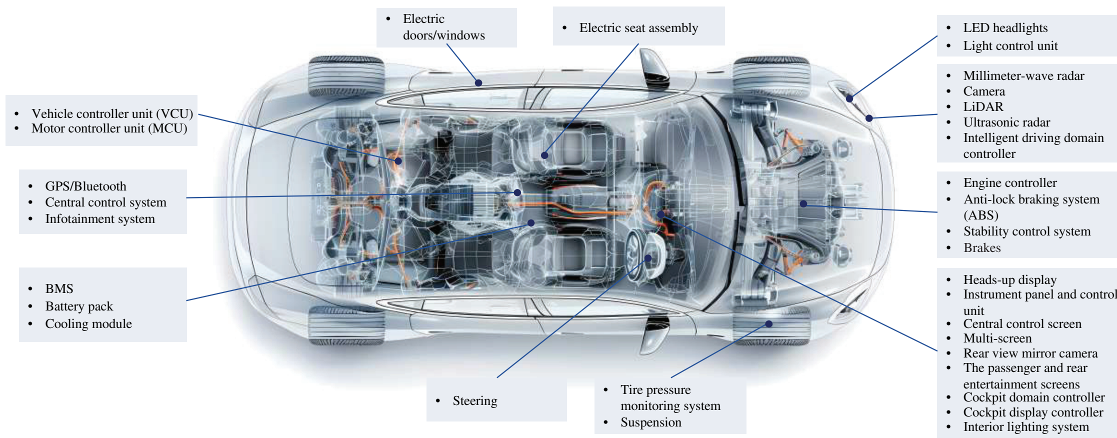
Automotive electronics rely heavily on PCB to interconnect and power electronic components across the vehicle. PCB underpins various key domains of automotive systems spanning from electrification to sensitive sensing and high-performance computing.

PCB products for automotive electronics are our core business, where we have accumulated broad technical capabilities and extensive experience in production management. Our automotive electronics PCB products are widely applied in intelligent driving, infotainment systems, body electronics systems, BMS, lighting systems, and power charging and distribution. We can manufacture PCB products with different technologies (such as HDI, high frequency and high speed, heavy copper and embedded PCB products) to meet the technological development needs of automobiles for intelligent driving, electrification, high power and thermal dissipation requirements. We have established strategic partnerships with numerous key suppliers, enabling us to respond promptly to the application needs of automotive electronics PCB for new materials and equipment.

The table below sets forth details of the applications and our key products with corresponding key features in terms of automotive electronics:

End Market	Applications	Key Products	Key Features
Automotive Electronics	Primarily used in the millimeter-wave radar, cameras, LiDAR, infotainment systems, lighting systems, ADCU, power charging and distribution, electric drive, advanced driver assistance systems, body electronics systems, and BMS	(i) MLPCB with 4 to 18 layers (ii) HDI PCB (up to 5 build-ups) (iii) FPC	(i) MLPCB with line width and spacing of 75/75 μm (ii) HDI PCB with minimum line width and spacing of 60/60 μm (iii) FPC with 1-4 layers

The following diagram shows the key components and systems of an automobile, in which our PCB products are applied:



Telecommunication and Data Infrastructure

Telecommunication and data infrastructure encompasses applications that enable efficient data transmission among components within facilities such as data centers as well as wireless telecommunication networks. We prioritize telecommunication and data infrastructure as our strategic focus.

We strive to ensure we are well-positioned to capture the tremendous market opportunities ushered in by the rapid development of AI technologies. At present, we focus on meeting demand for high-performance PCB driven by certain leading domestic and North American AI companies seeking to enhance computing power. We continuously accumulate core technologies in material applications, manufacturing processes, and product architecture to meet the stringent requirements of AI infrastructure for high-speed signal transmission, ultra-low loss, and ultra-high wiring density in PCB. Starting with our technologically advanced multilayer PTFE FPC products, we are constantly expanding into new business opportunities and have achieved several exciting advancements. For example, we anticipate supplying high-end HDI and HLC products for next-generation AI servers used by certain leading global AI computing infrastructure companies, and these products have already obtained customer certification. Moreover, we are among the few manufacturers supplying PCB to global leading AI computing infrastructure companies. We have achieved mass production of various high-end PCB for AI computing infrastructure and other applications, such as HLC PCB with over 40 layers, 6-build-up 22-layer HDI PCB, 14-layer HDI PCB using the mSAP process, and multilayer PTFE FPC. In addition, we have the capability to manufacture HLC PCB with over 70 layers, 9-build-up 28-layer HDI PCB, 12-layer any-layer rigid-flex PCB and high-speed FPC, and have initiated the R&D certification for 11-build-up HDI PCB. Our 9-build-up HDI PCB obtained customer certification within merely 90 days, which demonstrates our technological maturity and product reliability in the field of AI infrastructure.

Our revenue generated from the telecommunication and data infrastructure sector increased by 20.7% from RMB772.1 million in 2023 to RMB932.0 million in 2024, and increased by 70.7% to RMB1,590.7 million in 2025. Our revenue generated from the telecommunication and data infrastructure sector also increased by 114.6% from RMB388.2 million for the four months ended April 30, 2025 to RMB833.1 million for the same period in 2026. Moreover, the percentage of our revenue generated from the telecommunication and data infrastructure sector of our total revenue increased from 7.2% in 2023 to 7.4% in 2024, and further increased to 10.4% in 2025. Such percentage also increased from 8.6% in the four months ended April 30, 2025 to 15.6% in the same period in 2026. Such significant growth demonstrates our remarkable progress in acquiring and serving AI-related customers.

The table below sets forth details of the applications and our key products with corresponding key features in terms of telecommunication and data infrastructure:

End Market	Applications	Key Products	Key Features
Telecommunication and Data Infrastructure . .	Primarily used in the AI accelerator cards, general servers, AI servers, 400G and 800G AI server switches, 56G and 112G communication switches, satellite communication, communication antennas, 400G and 800G optical modules, storage devices, switching routers, fiber optic equipment, and communication base stations	(i) HLC PCB with 20 or above layers (ii) HDI PCB (up to 11 build-ups) (iii) Server and data center heavy copper power supply PCB	(i) HLC PCB with board thickness up to 10mm and aspect ratio up to 40:1 (ii) HDI PCB with minimum blind via diameter of 60 μm, pitch of 180 μm, and minimum line width and spacing of 30/30 μm (iii) Through-hole, any-layer design, inner copper layer thickness of 2 to 6 oz, partially embedded, and copper-based or gold finger design

Smart Devices

PCB is the backbone of smart devices, providing compact and reliable interconnects as well as enabling integration of computing, connectivity, and power. Our PCB is widely used in a range of smart devices such as mobile phones, AI glasses, foldable screens and tablets. The table below sets forth details of the applications and our key products with corresponding key features in terms of smart devices:

End Market	Applications	Key Products	Key Features
Smart Devices.	Primarily used in mobile phones, AI glasses, foldable screens, tablet, wearables, headphones, laptops, AR and VR devices, smart televisions, smart speakers, and smart home control systems	(i) AR/VR FPC (ii) Foldable screen through-axis FPC (iii) Any-layer FPC (iv) Any-layer HDI	(i) AR/VR FPC with alignment accuracy of 75 μm, and minimum blind via diameter of 50 μm (ii) Foldable screen through-axis FPC with minimum line width and spacing of 40/40 μm, and a maximum number of bends of 350,000 (iii) Any-layer FPC with line width and spacing of 35/35 μm, and minimum blind via diameter of 50 μm (iv) Any-layer HDI with minimum blind via diameter of 60 μm, pitch of 165 μm, and minimum line width and spacing of 40/40 μm

Industrial Control and Medical Devices

Industrial control products need to operate under the challenging working environment. PCB meets these requirements by mechanical stability and controlled interconnects. Medical devices must protect patients and operators while delivering precise measurements and reliable therapy. PCB enables tightly controlled electrical performance, isolation, and miniaturization under rigorous quality systems. Our PCB is widely used in a range of industrial control and medical devices such as drones, industrial robots, photovoltaic products and medical monitors. The table below sets forth details of the applications and our key products with corresponding key features in terms of industrial control and medical devices:

End Market	Applications	Key Products	Key Features
Industrial Control and Medical Devices	Primarily used in drones, industrial robots, photovoltaic products, industrial automation equipment, power control systems, and medical monitors	(i) PCB for axial flux motors (ii) PCB for robot joints and dexterous hands (iii) PCB for drone phased array radars and main control units	(i) High-strength copper plate, 26-layer, inner layer of 6 oz, and layer-to-layer misalignment ≤0.15 mm (ii) Any-layer design (iii) 24G high-frequency radar, PPO and FR4 multilayer design, and line width tolerance ±15 μm

Our Product Portfolio

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

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)									
							(Unaudited)			
Sales of PCB products	**10,240,933**	**95.2**	**11,984,837**	**94.7**	**14,372,625**	**93.9**	**4,284,750**	**94.5**	**4,920,632**	**92.1**
RPCB	6,865,983	63.8	7,930,865	62.6	9,645,202	63.0	2,907,093	64.1	3,568,222	66.8
Single- and double-sided PCB	1,228,030	11.4	1,271,205	10.0	1,297,494	8.5	408,481	9.0	435,365	8.2
MLPCB	5,131,599	47.7	5,810,971	45.9	7,110,033	46.4	2,147,004	47.3	2,759,691	51.6
HDI PCB	506,354	4.7	848,689	6.7	1,237,675	8.1	351,608	7.8	373,166	7.0
FPC	2,752,799	25.6	3,447,173	27.2	4,068,978	26.6	1,195,270	26.4	1,160,951	21.7
Other PCB(1)	622,151	5.8	606,799	4.8	658,445	4.3	182,387	4.0	191,459	3.6
Others(2)	**516,369**	**4.8**	**674,536**	**5.3**	**935,427**	**6.1**	**248,863**	**5.5**	**420,760**	**7.9**
Total	**10,757,302**	**100.0**	**12,659,373**	**100.0**	**15,308,052**	**100.0**	**4,533,613**	**100.0**	**5,341,392**	**100.0**

Notes:

(1) Include MPCB and rigid-flex PCB.

(2) Mainly represent the sales of our production residues which contain copper in Chinese mainland.

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

	Year ended December 31,						Four months ended April 30,	
	2023		2024		2025		2026	
	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.)*
RPCB	**7,207,648**	**953**	**8,198,876**	**967**	**9,533,250**	**1,012**	**3,285,683**	**1,086**
– Single- and double-sided PCB	1,878,293	654	1,984,623	641	2,074,779	625	683,904	637
– MLPCB	5,068,280	1,012	5,851,790	993	7,034,296	1,011	2,482,314	1,112
– HDI PCB(1)	261,075	1,939	362,463	2,341	424,175	2,918	119,465	3,124
FPC(2)	**1,855,671**	**1,483**	**2,088,135**	**1,651**	**2,329,689**	**1,747**	**593,112**	**1,957**
Other PCB(3)	**472,403**	**1,317**	**474,341**	**1,279**	**528,518**	**1,246**	**140,238**	**1,365**
Total	**9,535,722**	**1,074**	**10,761,351**	**1,114**	**12,391,457**	**1,160**	**4,019,033**	**1,224**

Notes:

(1) The average selling price of our HDI PCB increased from RMB1,939 per sq.m. in 2023 to RMB2,341 per sq.m. in 2024, primarily due to the optimization of our HDI PCB product mix as the sales of high-priced products in the automotive electronics and telecommunication and data infrastructure sectors increased. The average selling price of our HDI PCB further increased to RMB2,918 per sq.m. in 2025, primarily because we increased sales of high-priced products to new customers in the telecommunication and data infrastructure as well as industrial control and medical devices sectors. The average selling price of our HDI PCB further increased from RMB2,918 per sq.m. in 2025 to RMB3,124 per sq.m. in the four months ended April 30, 2026 as we further optimized the product mix by introducing more high-priced products.

(2) The average selling price of our FPC increased from RMB1,483 per sq.m. in 2023 to RMB1,651 per sq.m. in 2024, primarily due to the recovery in the consumer electronics market leading to the higher demand for our FPC products. The average selling price of our FPC increased from RMB1,747 per sq.m. in 2025 to RMB1,957 per sq.m. in the four months ended April 30, 2026, primarily due to the optimized product mix with more high-priced products.

(3) Include MPCB and rigid-flex PCB.

Production residues mainly include unprocessed metal-containing waste and metal-containing waste after copper extraction processing. The sales volume of unprocessed metal-containing waste was 79,200 tons, 74,994 tons, 75,157 tons and 29,696 tons in 2023, 2024, 2025 and the four months ended April 30, 2026, respectively, and the average selling price was RMB5,421 per ton, RMB5,790 per ton, RMB6,211 per ton and RMB7,422 per ton, respectively. The sales volume of metal-containing waste after copper extraction processing was 3,368 tons, 11,385 tons, 22,688 tons and 7,555 tons in 2023, 2024, 2025 and the four months ended April 30, 2026, respectively, and the average selling price was RMB16,653 per ton, RMB17,602 per ton, RMB18,616 per ton and RMB23,272 per ton, respectively.

RPCB Products

RPCB is made of a rigid substrate that is not easily bent and has a certain degree of strength and toughness, which can provide support for the electronic components attached to it. Our offering covers a wide spectrum of RPCB products, for applications in the automotive electronics, smart devices, industry control and medical devices, and telecommunication and data infrastructure industries. Our long-standing expertise enables us to serve a diverse range of leading domestic and overseas brands.

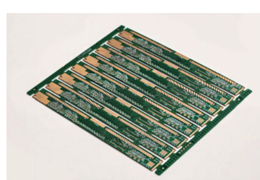
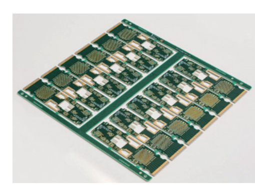
Our RPCB mainly comprise single- and double-sided PCB, MLPCB and HDI PCB.

- *Single- and double-sided PCB.* The single-sided PCB has a single side of substrate materials, accompanied by a conductive layer (usually made of copper). This conductive layer includes traces that establish electrical connections between components. In addition to a substrate layer and a conductive metal layer, the structure of the single-sided PCB also includes a protective solder mask and a silkscreen. Our single-sided PCB is typically used in simple electrical devices. The double-sided PCB has copper traces on both the top and bottom surfaces of an insulating substrate, with vias to connect the two sides electrically. This structure provides more routing flexibility and better electrical performance than the single-sided PCB, while remaining relatively cost-effective compared to multilayer designs. Our double-sided PCB is used in consumer electronics devices and power and analog circuits with moderate complexity.

- *MLPCB.* MLPCB has four or more copper layers stacked together, typically including dedicated internal power and ground planes. This structure enables high-density routing, controlled impedance for high-speed signals, and superior power integrity and electromagnetic interference performance compared to single- and double-sided PCB. MLPCB allows complex interconnects, tight component placement, and efficient breakout of fine-pitch packages. Particularly, HLC PCB is a special type of MLPCB with at least eight conductive layers, which is mainly used for high-performance applications like automotive electronics and data centers, requiring special low-loss materials and precision manufacturing for advanced signal integrity in compact spaces. Our MLPCB is mainly used in complex application scenarios in the automotive electronics, telecommunication and data infrastructure, smart devices, industrial control and other sectors.

- *HDI PCB*. HDI PCB is a multilayer board built with fine features, including very small traces, pads, and vias, using technologies such as microvias, blind and buried vias, via-in-pad, and sequential lamination. HDI PCB enables compact layouts, dense BGA breakout, improved signal integrity, and smaller, lighter products compared to conventional MLPCB. Our HDI PCB is mainly used in complex consumer electronics and telecommunication and data infrastructure. Our HDI PCB used in telecommunication and data infrastructure has a minimum blind via diameter of 60μm, pitch of 180μm, and minimum line width and spacing of 30/30μm. We have successfully mass-produced 6-build-up 22-layer HDI PCB and 14-layer HDI PCB using the mSAP process for AI servers and related applications, and have the capability to manufacture 9-build-up 28-layer HDI PCB. We have also initiated the R&D certification for 11-build-up HDI PCB. Our 9-build-up HDI products obtained customer certification within merely 90 days. The percentage of our revenue generated from HDI PCB of our total revenue increased from 4.7% in 2023 to 6.7% in 2024, and further increased to 8.1% in 2025, demonstrating our business growth in terms of high-end products.

Set forth below are the illustrative pictures of our key RPCB products:

Products	**MLPCB**	**HLC PCB**	**HDI PCB**
Illustrative Pictures			

FPC Products

FPC is a type of PCB that uses a flexible substrate laminated with conductive copper foil to form circuit patterns. Unlike RPCB, FPC is bendable, foldable and flexible, which can be twisted and flexed repeatedly without breaking. This characteristic allows it to fit into tight or irregular spaces and bend during operation, offering greater design flexibility and weight reduction and making it suitable for compact devices or applications involving movement. FPC has become a common component of electronic products due to its lightness and flexibility performance, which is widely applied in the smart devices, wearable electronics, consumer, automotive, industrial and medical fields. The miniaturization and integrated function of electronics product development is driving FPC to the fine line and multilayer design.

We provide a comprehensive portfolio of FPC products, designed to meet diverse requirements across multiple application scenarios. For example, our FPC is used in EV batteries, automotive displays, OLEDs, mobile phones and tablets. We have expanded the application of our FPC products into emerging fields such as foldable screens and AI glasses. As electronic products move towards being lighter, thinner, and multi-modular, the application of FPC is becoming more common, underscoring significant growth potential for our FPC product sales.

According to CIC, as of April 30, 2026 we had become one of the only two FPC suppliers for AI server liquid cooling systems of globally leading AI computing infrastructure companies.

Set forth below are the illustrative pictures of our key FPC products:

Products **FPC**

Illustrative Pictures



Other PCB Products

Our other PCB products mainly comprise MPCB and rigid-flex PCB.

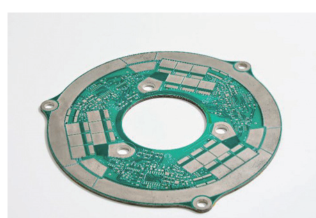
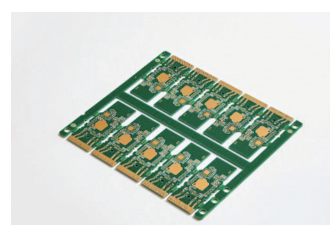
MPCB comprises a metal substrate, thermal dissipating dielectric and copper circuit. Due to its superior thermal dissipation feature, MPCB is used for a wide array of applications such as power supplies and LED lighting. Capitalizing on the growing market demand and leveraging our robust R&D capabilities, we provide a broad spectrum of MPCB products, including aluminum-based, copper-based, iron-based, and stainless steel-based boards, with aluminum-based boards as the core offering. The primary application areas of our MPCB include LED lighting, LED displays, automotive and power modules.

The rigid-flex PCB is a hybrid PCB that combines rigid parts and flexible parts into a single, permanently laminated structure. This enables three-dimensional packaging, reduced connectors and wiring, and improved reliability in devices that require both compactness and controlled movement or folding. We have conducted extensive research on rigid-flex PCB stack-up and have achieved mass production of any-layer rigid-flex PCB and multilayer rigid-flex PCB. Our rigid-flex PCB is widely used in automotive electronics, industrial control and medical, and consumer electronics devices.

Set forth below are the illustrative pictures of our other PCB products:

Products **MPCB** **Rigid-flex PCB**

Illustrative Pictures

In the course of our PCB manufacturing operations, we generate production residues, which primarily include unprocessed metal-containing waste, metal-containing waste after copper-extraction processing and other miscellaneous production residues. We sell such production residues to environmental protection, recycling, resource utilization and waste treatment companies in Chinese mainland as part of our ordinary course production and resource utilization arrangements. These companies process the production residues through specialized techniques or resell them to other enterprises for further processing, converting the production residues into raw materials for the industrial supply chain, such as recycled copper. Such sales allow us to monetize production by-products, improve resource utilization efficiency and reduce waste generated from our manufacturing operations, which is a common strategy adopted across the industry, according to CIC. Production residues primarily consist of unprocessed metal-containing waste and metal-containing waste that has undergone copper extraction processing. The copper extraction process utilizes dedicated specialized equipment designed to increase the copper concentration in the waste, thereby enhancing both the copper content and the selling price of the residues. This process enables the treated residues to be sold at significantly higher prices. This specialized equipment is not used in our core PCB manufacturing operations and does not impact the productivity of our PCB products. For production residues that do not contain metals or have metal content too low to be commercially viable, we pay processing fees to waste treatment companies for their disposal.

OUR CORE TECHNOLOGIES

With over three decades of dedicated R&D, we have developed a range of technologies for PCB product design, manufacturing, quality control, and supply chain management. Leveraging our robust reserves of process technology and material application technology as well as our industrial insights, we have also proactively participated in our customers' R&D, underscoring their trust in our solid technological capabilities. Based on our deep technological development and long-term oriented R&D layout, we are capable of delivering industry-leading products at competitive costs, addressing outstanding demands in our end markets.

We are dedicated to building core competitive edge in the high-end PCB market by exploring and developing challenging technologies, with a focus on high-end HDI and SLP technologies, high-frequency and high-speed materials and hybrid lamination technology, as well as any-layer rigid-flex PCB and HLC PCB manufacturing capabilities. Our core technologies cover three key areas of material applications, manufacturing processes and product architecture:

- *Material Application*. We have developed advanced material application expertise and maintained a comprehensive materials database, enabling efficient material selection throughout product design and development. Our systematic research focuses on materials supporting high-frequency, high-speed transmission and superior thermal dissipation, allowing us to provide PCB products tailored for core AI applications. We have established mass production capabilities for M7-to-M9-grade and PTFE materials based PCB products and are conducting advance research and validation of higher-performance materials, including next-generation ultra-low-loss, high-speed options such as M9+ grade materials, empowering us to meet customer needs.

- *Manufacturing Process.* We have developed advanced processing capabilities, including 0-4 mil stub back-drilling technology, dynamic current density/waveform high-aspect-ratio plating technology, and Z-axis interconnect technology, that meet stringent requirements for high-speed signal transmission and ultra-low loss in AI infrastructure PCB. For example, stub back-drilling technology uses secondary controlled-depth drilling to remove residual portions of the via walls in multilayer boards that connect to non-target layers. This eliminates signal reflections and losses caused by these residual stubs, improving high-speed signal transmission quality, impedance matching, and channel performance. Compared to the traditional 2-8 mil stub back-drilling technology, our 0-4 stub back-drilling technology has achieved technological progress with better performance. Moreover, Z-interconnect technology enables PCB to be vertically stacked and interconnected with high precision. The resulting integrated system has very short signal paths, which not only reduces power consumption but also increases transmission speed. We are also engaged in comprehensive research across critical domains including high-build-up HDI processing, ultra-high-layer alignment control, back-drilling stub management, high-precision impedance regulation, signal simulation, and signal integrity control. Leveraging these advanced processes, we have developed industry-leading, mass-production manufacturing systems for HLC PCB, high-build-up HDI PCB, and other advanced and prospective products. These capabilities enable us to support product launches, foster customer relationships, and secure orders within high-end application sectors.

- *Product Architecture*. Our architecture capabilities are at an advanced industry level and support designs that meet the performance and integration needs of advanced scenarios such as AI computing power. Our embedded process integrates copper coins within the board, enabling effective system integration, sufficient thermal dissipation, and efficient space saving. Our embedded ceramic and embedded magnetics technologies directly integrate ceramic substrates or components with magnetic materials into multilayer or HDI board structures, thereby achieving high performance, high reliability, miniaturization, and special functions (such as thermal management). These solutions are commonly used in radio frequency, microwave, high-power, and high-speed communication fields, enhancing PCB space utilization, signal transmission efficiency, and reliability. We have also conducted extensive research on rigid-flex PCB stack-up and have achieved mass production of any-layer rigid-flex PCB and multilayer rigid-flex PCB.

We advance both our own development and that of the broader PCB industry through technological development. We have contributed to the formulation of industry standards, including the "Sectional Design Standard for Flexible Printed Boards" and the "Specification for Printed Circuit Board with Buried or Embedded Copper Coin". We have passed the appraisal of 48 scientific and technological achievements, including the "Plasma Treatment Technology for Inner Layer Surface of Rigid-Flex PCB". Our "R&D of Key Technologies for 800G Ultra-High-Speed Optical Module PCB" and "Overall Manufacturing Technology for High-speed Interconnect Cables and High-build-up HDI PCB Products for Data Centers" have been recognized as internationally leading technologies, while our "R&D of Key Technologies for High-end HDI PCB for High-speed Interconnect Cables for Data Centers", "R&D of Sixth-Generation In-Vehicle Radar PCB Manufacturing Technology" and "Research on Key Manufacturing Technologies for Foldable Screen FPC for Smart Terminals" have been recognized as internationally advanced technologies. Our project "High-efficiency and High-reliability Microfabrication Technology for Heterogeneous Multi-layer High-end PCB" received the First Prize of China Machinery Industry Science and Technology Award, our project "MLPCB Manufacturing Methods and MLPCB" received the China Patent Excellence Award, our project "Development and Industrialization of Key Technologies for Ultra-High-Speed Optical Module PCB in Optical Communication" was awarded the Science and Technology Award (First Prize for Scientific and Technological Progress) by Guangdong Electronics and Information Industry Association, our project "Research and Application of Key Technologies for Metal-Based Insulated Vias with High Thermal Conductivity PCB" was awarded the Second Prize of the Guangdong Provincial Science and Technology Award, and our project "Development and Industrialization of Key Technologies for High-Density Flexible and Rigid-Flex PCB for Smart Terminals" received the First Prize of the Shenzhen Science and Technology Progress Award. Our six products were recognized as "Renowned High-tech Products" by Guangdong Hi-tech Enterprise Association.

RESEARCH AND DEVELOPMENT

Our industry features fast technological development and rapid product iterations. We are committed to continuously advancing our technologies so as to maintain our market competency and share. As such, we place significant emphasis on strengthening our R&D capabilities. In 2023, 2024 and 2025, our R&D expenses amounted to RMB600.7 million, RMB757.6 million and RMB929.9 million, respectively, accounting for 5.6%, 6.0% and 6.1% of our revenue in these respective periods. For the four months ended April 30, 2025 and 2026, our R&D expenses amounted to RMB272.3 million and RMB280.7 million, respectively, accounting for 6.0% and 5.3% of our revenue in the respective periods.

Our R&D investment has yielded remarkable achievements in terms of (i) material applications, such as the mass production capabilities for M7-to-M9-grade and PTFE materials based PCB products; (ii) manufacturing processes, such as the 0-4 mil stub back-drilling technology, dynamic current density/waveform high-aspect-ratio plating technology, and Z-axis interconnect technology; and (iii) product architecture, such as our embedded process technologies. For more information, please refer to "— Our Core Technologies" in this section.

R&D Team

We have established a comprehensive R&D team comprising talents specializing in material performance study, new product development, and manufacturing process design and optimization. As of April 30, 2026, our R&D team had 2,582 members, representing approximately 11.6% of our total workforce. Our core R&D personnel have an average of more than 18 years of experience in the PCB industry. As of April 30, 2026, 1,199 members of our R&D team held a bachelor's degree or higher, representing 46.4% of our total R&D workforce.

We have a R&D institute that primarily focuses on meeting customer demands and the R&D of core products, pre-research on advanced technologies and the R&D and capability development of fundamental manufacturing process. We deploy R&D staff across all production bases. We believe this arrangement enhances our innovation capabilities, enabling our R&D personnel to gain timely insights into product development and improvement by leveraging the manufacturing expertise of our production team.

To further promote technical exchange among business segments, we have also formed a group-level technology management team to centrally coordinate and oversee all R&D activities within our Group. In addition, we have built a leading central testing center, which became one of the few in our industry that had received the CNAS certification and met the requirements of the ISO/IEC 17025 standard in January 2017, certifying its capability to independently perform professional testing and validation. This accreditation supports our R&D progress and ensure the high-quality of our R&D outcome.

We have established long-term collaborations with leading research institutions, universities as well as industry experts and specialized external partners to provide additional technical proficiency to advance our R&D efforts. For example, we successfully established a national-level postdoctoral research station in Jiangxi Province, showcasing our solid R&D capabilities. Moreover, we have been collaborating with a leading university for the study on the key features of FPC materials, which has proceeded to an advanced stage.

We also proactively participate in our customers' R&D initiatives to deepen and enhance our corporations with them, which enables us to earn significant leverage to obtain more customer orders and explore more potential cooperation opportunities with such customers. For certain structurally complex, innovative high-end products, customers invite us to provide ideas for their PCB designs. Leveraging on our domain knowledge in PCB, we offer optimization suggestions for customers' designs and thus customers are able to refine and improve their PCB designs. We normally do not charge separate design or R&D fees for such R&D cooperations.

Product Design and Development

We have established detailed protocols and standard operating procedures for our product design and development processes, which are essential for the success of our final products. Our product design and development processes could vary due to different product specifications and customer requirements. The average development cycle for most of our products is normally one to six months.

To standardize the R&D process, we have formulated a comprehensive system. All R&D projects are required to undergo oversight and review at each stage. We have set several technical review points for key technical nodes during the product development process. Through early detection of product defects and risks in deliverables, problems and risks can be identified as early as possible, and countermeasures and operational recommendations can be formed to ensure that the entire product development process is effectively controlled.

The key steps of our product development process are set out below:

(i) *Pre-research Phase*: In the pre-research phase, we are focused on exploring and developing optimal solutions for key product technologies or modules which are in line with our development strategies and represent significant market potential, even where the relevant market prospects are still subject to uncertainty and there are significant technical challenges. This lays a solid foundation for us to enter the product development phase leveraging such optimal solutions, once other conditions allow so.

(ii) *Validation Phase*: When the relevant market outlook becomes clearer and key technologies are preliminarily realized, we initiate the dedicated R&D on challenging technical issues in the relevant field and implemented validation with test boards or dummy boards. Through such testing, we can identify and resolve potential issues that could affect product development.

(iii) *Prototyping Phase*: After verifying the feasibility of product development, we use validated technical solutions to carry out prototype production. We assess the manufacturability of these solutions in actual production processes, promptly identifying and addressing various potential manufacturing problems. Based on such assessment, we can update and refine relevant technical solutions to ensure smooth transition to small-batch and mass production phases.

(iv) *Small-batch Production Phase*: After customers complete prototype certification, we gradually expand production batches according to established technical solutions. We use small-batch production to assess the stability of product manufacturing and institutionalize accumulated experience in documentation and staff implementation procedures.

(v) *Mass Production Phase*: In the mass production phase, our staff are capable of implementing the production process independently according to relevant manufacturing protocols. Our focus is continuously monitoring the mass production process, actively identifying and resolving issues to optimize our production process, thereby significantly enhancing our core competitive edges in terms of the product yield, quality, delivery cycles, and cost control.

Future R&D Focus

We continuously refine our R&D roadmap to align with emerging industry trends and anticipated growth areas. In the coming years, our R&D efforts will focus on several strategic priorities to reinforce our advanced PCB technologies.

- *Material Applications*. We plan to closely follow customer needs and conduct R&D and verification on PCB using next-generation ultra-low loss, high-speed materials, including M9+ grade materials, to address advanced computing demands, especially those related to the AI sector. Moreover, we plan to keep pace with the development of electrification and intelligentization in automobiles, and conduct research and verification of the applications of low-loss, high-voltage-resistant, and high-reliability materials to meet the development needs of automotive electronics for high thermal conductivity, high integration and high reliability.

- *Manufacturing Process*. We will advance key process technologies, including high-end HDI processing, ultra-high-layer alignment, back-drilling stub control, high-precision impedance control, signal simulation and signal integrity control, signal transmission line manufacturing precision and consistency, improvement on layers alignment, dielectric uniformity, and embedded process technologies. These process technologies enhance our manufacturing capabilities for HLC PCB, high-build-up HDI PCB, and other advanced products.

- *Product Architecture*. We will monitor advancements in product iterations from leading global AI computing infrastructure providers and design PCB architectures that align with their performance and integration specifications, achieving more efficient interconnects, increased bandwidth, and higher reliability.

SALES AND MARKETING

Our sales model is based on direct sales, as supplemented by sales to trading partners to effectively reach and serve a diverse range of customers. Our multiple sales channels provide us with flexibility to meet the needs of various markets while building strong customer relationships and ensuring efficient product sales. In 2023, 2024 and 2025, our selling and marketing expenses amounted to RMB192.1 million, RMB245.6 million and RMB288.2 million, respectively, accounting for 1.8%, 1.9% and 1.9% of our total revenue, respectively, for the same periods. In 2023, 2024 and 2025, our aggregate sales volume reached 9.5 million, 10.8 million and 12.4 million sq.m., respectively. For the four months ended April 30, 2025 and 2026, our selling and marketing expenses amounted to RMB85.7 million and RMB84.9 million, respectively, accounting for 1.9% and 1.6% of our total revenue, respectively, for the same periods.

The following table sets forth the revenue contribution from direct sales and sales to trading partners, in absolute amounts and as percentages of our total revenue, during the Track Record Period:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentages)						*(Unaudited)*			
Direct sales	10,273,117	95.5	12,084,134	95.5	14,745,067	96.3	4,346,290	95.9	5,154,964	96.5
Sales to trading partners	484,185	4.5	575,239	4.5	562,985	3.7	187,323	4.1	186,428	3.5
Total	**10,757,302**	**100.0**	**12,659,373**	**100.0**	**15,308,052**	**100.0**	**4,533,613**	**100.0**	**5,341,392**	**100.0**

The following table sets forth the movement of the number of our direct sales customers and trading partners as well as the customer retention rates during the Track Record Period:

	Year Ended December 31,			Four months ended April 30,
	2023	2024	2025	2026
Number of direct sales customers	575	570	572	468
Number of trading partners	70	58	32	27
Customer retention rate(1)	79.3%	81.9%	77.6%	81.2%

Note:

(1) "Customer retention rate" refers to the number of customers (comprising both direct sales customers and trading partners) from whom we generated revenue in both a given year/period and the previous year/period in a given year divided by the number of customers (comprising both direct sales customers and trading partners) from whom we generated revenue in the previous corresponding year/period and multiplied by 100%.

The number of our trading partners decreased from 70 in 2023 to 58 in 2024, 32 in 2025 and 27 in the four months ended April 30, 2026, mainly due to our strategic adjustment to focus on cooperation with outstanding trading partners and eliminate underperforming ones.

Direct Sales

Direct sales are our primary sales channel, and we generated the vast majority of our revenue from this channel during the Track Record Period. We believe direct sales are essential for engaging customers, showcasing product capabilities, and building our brand. 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.

Our end customers are typically industry leaders and strategic clients with strict quality standards, long product validation cycles and high entry barriers. These customers often require large-scale, stable procurement and tailored solutions. By integrating our products into their supply chains, we secure long-term, stable orders that support consistent growth. Our dedicated sales and marketing personnel assigned for each direct sales customer possess extensive knowledge and expertise, enabling them to provide pre-sale consultations and tailored recommendations. We acquire new direct sales customers mainly through (i) customer referrals, (ii) participation in exhibitions, conferences and other activities, and (iii) direct marketing efforts such as our own official website. We may also acquire orders through a tender process including bid publication by potential customers, our bid evaluation and pre-bid communications, bid preparation and submission and where our bidding is successful, contract finalization and execution. Our customers typically provide us with their product designs and specific technical requirements, and then we implement technical validation and make tailored adjustments to our PCB to meet their requirements. We will then offer our fee quote accordingly and a product prototype for them. Once our quote and prototype are confirmed by customers, we will proceed to the production stage. In 2023, 2024 and 2025, our sales generated from direct sale customers amounted to RMB10,273.1 million, RMB12,084.1 million and RMB14,745.1 million, respectively, accounting for 95.5%, 95.5% and 96.3% of our total revenue for these periods. For the four months ended April 30, 2025 and 2026, our sales generated from direct sale customers amounted to RMB4,346.3 million and RMB5,155.0 million, respectively, accounting for 95.9% and 96.5% of our total revenue, respectively, for the same periods.

Contractual Arrangements with Direct Sales Customers

For our direct sales customers, we sell products to them in accordance with the terms outlined in our master sales agreements with them. Below is a summary of key terms with our direct sales customers:

- *Order Placement:* The product name, specification, quantity and purchase price are specified in purchase orders based on the demand of our customers. We generally do not impose minimum purchase order quantity requirements on our direct sales customers.

- *Shipment and Delivery:* We assume the costs and risks associated with the shipment of ordered products until delivery to the buyer's designated location. The buyer assumes these risks upon their acceptance of the products.

- *Product Return and Warranty:* We generally do not allow product return except for product defects. We offer a warranty period ranging from one to three years, depending on the product type. We are responsible for losses or damages incurred due to our product quality issues within the warranty period. In 2023, 2024 and 2025 and the four months ended April 30, 2026, the product return rates for our direct sales customers were 0.3%, 0.2%, 0.2% and 0.1%, respectively.

- *Payment and Credit Terms*: We typically offer a credit period ranging from 30 to 120 days to our customers. For new customers, we normally require payment in advance.

- *Intellectual Property:* We generally assure buyers that our products do not infringe upon any third-party intellectual property rights, and we are responsible for legal liabilities and costs caused by such kind of disputes.

- *Buyer Compliance Requirement*: Transaction parties are required to comply with anti-bribery laws and regulations, and both parties shall not offer any form of benefits that could directly or indirectly have a substantial impact on the signing or execution of this agreement.

- *Termination*: Generally, the contract can be terminated upon mutual agreement.

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 certain end customers from certain regions. According to CIC, engagement of trading partners for the sales of products are in line with the PCB industry norm. Trading partners will typically place orders with PCB manufacturers after they obtain orders from end customers. In 2023, 2024 and 2025, our sales generated from sales to trading partners amounted to RMB484.2 million, RMB575.2 million and RMB563.0 million, respectively, accounting for 4.5%, 4.5% and 3.7% of our total revenue for these periods. For the four months ended April 30, 2025 and 2026, our sales to trading partners amounted to RMB187.3 million and RMB186.4 million, respectively, accounting for 4.1% and 3.5% of our total revenue, respectively, for the same periods.

Relationship with Trading Partners

The relationships between trading partners and us are categorized as seller-buyer relationships. However, we typically do not enter into distribution agreements with trading partners. Instead, we transact on an order-by-order basis through individually received purchase orders. 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.

Management of Trading Partners

Due to the nature of our relationship with trading partners, we cannot control 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 an 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 PCB products 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.

Transactional Arrangements 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 purchase order. The key terms of our transactional arrangements with trading partners 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.

- *Risk Transfer*: Risks are transferred to our trading partners once the products are shipped to the designated locations 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 market conditions and specific requirements from end customers into account.

- *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.

- *Payment and Credit Terms*: We typically offer a credit period ranging from 30 to 120 days to our trading partners. For new trading partners, we normally require payment in advance.

- *Product Return and Warranty*: We generally do not allow product return except for product defects. We offer a warranty period ranging from one to three years, depending on the product type. We are responsible for losses or damages incurred due to our product quality issues within the warranty period. In 2023, 2024 and 2025 and the four months ended April 30, 2026, the product return rates for our trading partners were 0.5%, 0.4%, 0.5% and 0.6%, respectively.

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

- *Buyer Compliance Requirement*: Transaction parties are required to comply with anti-bribery laws and regulations, and both parties shall not offer any form of benefits that could directly or indirectly have a substantial impact on the signing or execution of this agreement.

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

Pricing of Our Products

Effective product pricing is critical to our results of operations. In determining our product pricing, we consider a range of factors, including market price, our costs, technological advantages and overall market conditions. We strategically adjust prices based on market dynamics, considering factors like competition intensity to ensure competitiveness and profitability.

Sales Network

We have established a globalized sales network, which enables us to quickly respond to customer needs around the world. As of April 30, 2026, we had a sales and marketing team of 313 personnel, focusing on business development, customer service and industry coverage. We maintain sales teams responsible for our sales efforts in different areas domestically and globally in accordance with our sales strategy. Aligning with our overseas market expansion strategy, we plan to hire more sales staff who are capable of contributing to our global sales. Our sales personnel are entitled to a fixed salary as well as performance-based compensation, which is intended to motivate them to continuously improve their sales efforts. Throughout the Track Record Period and as of the Latest Practicable Date, we had six and four sales points in Chinese mainland and overseas, respectively.

Our sales and marketing staff regularly contact our existing and potential customers about our current offerings and development plans. Our sales and marketing staff also communicate and collaborate with the R&D, production and procurement staff to obtain technical product information for better customer presentations, ensure timely order delivery, and address special customer needs and supplier-related issues. Additionally, our sales and marketing staff proactively identify market opportunities and tailor sales strategies according to the differentiated customer needs.

Marketing

We enhance the awareness of our brand and promote our new and existing products through both offline and online channels. We participate in various offline events, such as industry conferences and forums, product launches and industry salons to showcase our technological advancements and develop relationships with industry participants. We also promote our products through various digital marketing activities and channels such as website and social media marketing.

Customer Service

We are committed to offering a comprehensive suite of customer services that support the entire product lifecycle. We continuously improve our global customer service quality through staff training and development, and have established an efficient customer service response mechanism to ensure that customer issues can be resolved promptly to meet the expectation of customers worldwide. We offer ongoing technical support through multiple channels, including online and on-site support. By offering reliable, responsive, and cost-effective after-sales support, we help customers minimize disruptions and maximize our product value. Our focus is on customer satisfaction, ensuring our products consistently meet evolving needs. Our customer services have been highly appreciated and widely recognized, earning us numerous awards from customers for excellent services.

OUR CUSTOMERS

We have established long-standing business relationships with leading enterprises across a wide range of industries, including automotive electronics, smart devices, industry control and medical devices, and telecommunication and data infrastructure sectors. These relationships underscore our role as a trusted supplier to certain prominent global companies across a variety of industries.

In each of 2023, 2024 and 2025 and the four months ended April 30, 2026, revenue contributed from our five largest customers amounted to RMB1,943.4 million, RMB2,769.8 million, RMB3,605.6 million and RMB1,394.0 million, respectively, accounting for 18.0%, 22.0%, 23.6% and 26.1% of our total revenue, respectively, for each of the same periods, while the largest customer contributed RMB583.2 million, RMB626.2 million, RMB1,024.5 million and RMB371.7 million, respectively, accounting for 5.4%, 4.9%, 6.7% and 7.0% of our total revenue, respectively, for each of the same periods. Our five largest customers in each period of the Track Record Period were direct sales customers. During the Track Record Period, we generally granted a credit term of 30 to 120 days to our direct sales customers. The credit terms we granted to different customers may vary significantly within this relatively long range in light of various factors, including the customers' purchase amount, duration of cooperation with us and our strategic priority.

The following tables set forth the details of our five largest customers based on their revenue contribution in each period during the Track Record Period:

For the Four Months Ended April 30, 2026

Ranking	Customer	Transaction amount	Percentage of total revenue	Year of commencing business relationship with us
		(RMB'000)		
1	Customer B	371,684	7.0%	2018
2	Customer A	365,569	6.8%	2012
3	Customer C	253,045	4.7%	2009
4	Customer H	225,788	4.2%	2015
5	Customer F	177,908	3.4%	2018
		1,393,994	26.1%	

For the Year Ended December 31, 2025

Ranking	Customer	Transaction amount	Percentage of total revenue	Year of commencing business relationship with us
		(RMB'000)		
1.	Customer A	1,024,524	6.7%	2012
2.	Customer B	790,127	5.2%	2018
3.	Customer C	720,090	4.7%	2009
4.	Customer D	569,219	3.7%	2018
5.	Customer E/Supplier E	501,659	3.3%	2015
		3,605,619	23.6%	

For the Year Ended December 31, 2024

Ranking	Customer	Transaction amount	Percentage of total revenue	Year of commencing business relationship with us
		(RMB'000)		
1.	Customer A	626,224	4.9%	2012
2.	Customer C	595,444	4.8%	2009
3.	Customer B	550,759	4.4%	2018
4.	Customer E/Supplier E	522,407	4.1%	2015
5.	Customer F	474,932	3.8%	2018
		2,769,766	22.0%	

For the Year Ended December 31, 2023

Ranking	Customer	Transaction amount	Percentage of total revenue	Year of commencing business relationship with us
		(RMB'000)		
1.	Customer A	583,224	5.4%	2012
2.	Customer C	424,897	3.9%	2009
3.	Customer G	344,752	3.2%	2015
4.	Customer D	313,784	2.9%	2018
5.	Customer F	276,780	2.6%	2018
		1,943,437	18.0%	

Notes:

(1) Customer A is a company headquartered in Shenzhen, Guangdong Province, the PRC, mainly engaged in the business of ICT infrastructure, cloud computing, digital energy, smart devices and intelligent vehicle solutions. Customer A purchased RPCB, FPC and other PCB products from us during the Track Record Period.

(2) Customer B is a company headquartered in Germany, mainly engaged in the business of mobility solutions, industrial technology, consumer goods, and energy and building technology. Customer B purchased RPCB, FPC and other PCB products from us during the Track Record Period.

(3) Customer C is a company headquartered in France, mainly engaged in the business of designing and manufacturing automotive parts and systems. Customer C is listed on the Euronext Paris Stock Exchange. Customer C purchased RPCB, FPC and other PCB products from us during the Track Record Period.

(4) Customer D is a company headquartered in Shanghai, the PRC, mainly engaged in the development, production and sales of gasoline engine management systems, transmission control systems, vehicle body electronics, hybrid and electric drive control systems. Customer D purchased RPCB, FPC and other PCB products from us during the Track Record Period.

(5) Customer E/Supplier E is a company headquartered in Suzhou, Jiangsu Province, the PRC, mainly engaged in the supply of new display overall solutions. Customer E/Supplier E is listed on the Shenzhen Stock Exchange. Customer E/Supplier E purchased FPC and other PCB products from us during the Track Record Period.

(6) Customer F is a company headquartered in Ireland, mainly engaged in the business of automotive technology and components. Customer F is listed on the New York Stock Exchange. Customer F purchased RPCB and FPC products from us during the Track Record Period.

(7) Customer G is a company headquartered in Huizhou, Guangdong Province, the PRC, mainly engaged in the semiconductor display and new energy photovoltaic business. Customer G is listed on the Shenzhen Stock Exchange. Customer G purchased FPC and other PCB products from us during the Track Record Period.

(8) Customer H is a company headquartered in Taiwan, China, mainly engaged in the electronics manufacturing business. Customer H is listed on the Taiwan Stock Exchange. Customer H purchased RPCB, FPC and other PCB products from us during the Track Record Period.

To the best of our knowledge, for each period during the Track Record Period and up to the Latest Practicable Date, all of our five largest customers in each period were Independent Third Parties, and to the best of our Directors' knowledge, none of our Directors or their respective close associates or any person who, to the knowledge of the Directors, owned more than 5% of our issued share capital, had any interest in any of our five largest customers. For each period during the Track Record Period and up to the Latest Practicable Date, we did not have any material disputes with the aforementioned customers, nor did we receive any material complaints from such customers.

RAW MATERIALS AND SUPPLY CHAIN MANAGEMENT

The main raw materials for our products include electronic raw materials, which primarily consist of copper clad laminates, copper anode balls, copper foils, prepregs, gold salt, dry films and solder masks. We source substantially all raw materials from Chinese mainland with limited exceptions, which mainly comprise a small portion of copper clad laminates and prepregs procured from overseas suppliers designated by customers. Most of our raw materials sourced from overseas countries are readily available in Chinese mainland and we do not expect any material obstacles for us to switch to the domestic supply for such raw materials if needed. To improve our supply chain stability and maintain bargaining power, we generally retain multiple suppliers for our principal raw materials. In 2023, 2024 and 2025, our cost of raw materials accounted for 60.4%, 60.5% and 61.4% of our total cost of sales, respectively. For the four months ended April 30, 2025 and 2026, our cost of raw materials accounted for 60.4% and 62.9% of our total cost of sales, respectively.

Our procurement process involves several key steps to ensure efficient supply management. Initially, we engage in demand planning and supply strategy development, using rolling forecasts to assess product demand and define strategies for managing supply volumes. This is followed by procurement planning and ordering, where we create detailed plans and issue purchase orders to suppliers. Suppliers then fulfill these orders, schedule shipments, and deliver the materials to designated warehouses. Upon arrival, we inspect the raw materials and store them in stock warehouses for production use.

Our procurement strategy combines on-demand purchasing with strategic stockpiling. Using historical data and demand forecasting, we maintain safety stock levels to ensure a stable supply chain and uninterrupted production. In addition, we monitor market trends, price fluctuations of raw materials, inventory, customer orders and capital allocation to make informed decisions about stockpiling. This approach effectively addresses the risks of price volatility and ensures we stay agile in a competitive and rapidly changing market. Based on demand forecasts, supplier pricing trends and production capacity planning, we create rolling procurement plans. These plans guide our purchasing team in requesting quotes, placing orders and coordinating material deliveries. By maintaining close relationships with qualified suppliers and ensuring clear communication, we are able to achieve efficient procurement cycles while maintaining flexibility in responding to changes in market demand.

We have maintained a sizable pool of reliable suppliers and implemented a rigorous supplier qualification and dynamic management system to monitor the supplier admission, qualification audits, and performance evaluations. We evaluate suppliers on multiple criteria such as their technical capability, quality, delivery performance, service levels and cost-effectiveness as well as their compatibility with our development strategies. We uphold stringent requirements for supplier admission, assessment, and auditing throughout the supplier lifecycle. We also employ a tiered management strategy, incorporating rewards for excellence, supervised improvement plans, and the removal of underperforming suppliers, thereby optimizing our supplier base and maintaining our competitiveness.

OUR SUPPLIERS

We have developed and maintained relationships with some leading suppliers for our raw materials and manufacturing equipment. Our key raw materials include copper clad laminates, copper anode balls, copper foils, prepregs, gold salt, dry films and solder masks. These suppliers provide us with high-quality materials for our products and key equipment for our production. Their advanced technologies and reliable production capabilities enable us to maintain consistent product quality and meet the evolving needs of our customers. We work closely with our suppliers to ensure timely availability and delivery of materials and equipment. Our well-established global network of material sources enables us to maintain competitive pricing and offer a reliable supply chain for our customers. In each of 2023, 2024 and 2025 and the four months ended April 30, 2026, and our purchases from our five largest suppliers amounted to RMB2,037.2 million, RMB2,680.8 million, RMB3,383.7 million and RMB1,466.8 million, respectively, accounting for 36.4%, 38.5%, 38.2% and 40.5% of our total purchase, respectively, for each of the same periods, while our purchase from the largest supplier amounted to RMB1,013.4 million, RMB1,212.0 million, RMB1,517.5 million and RMB554.8 million, respectively, accounting for 18.1%, 17.5%, 17.2% and 15.3% of our total purchases, respectively, for each of the same periods. During the Track Record Period, our suppliers generally granted us a credit term of 90 to 120 days.

The following tables set forth the details of our five largest suppliers based on our purchases from them in each period during the Track Record Period:

For the Four Months Ended April 30, 2026

Ranking	Suppliers	Purchase amount	Percentage of total purchase	Year of commencing business relationship with us
		(RMB'000)		
1	Supplier A	554,802	15.3%	1999
2	Supplier B	280,055	7.7%	2017
3	Supplier C	234,861	6.5%	2018
4	Supplier H	219,556	6.1%	2007
5	Supplier I	177,558	4.9%	2025
		1,466,832	40.5%	

For the Year Ended December 31, 2025

Ranking	Supplier	Purchase amount	Percentage of total purchase	Year of commencing business relationship with us
		(RMB'000)		
1.	Supplier A	1,517,453	17.2%	1999
2.	Supplier B	607,248	6.8%	2017
3.	Supplier C	596,747	6.7%	2018
4.	Supplier D	418,056	4.7%	2017
5.	Supplier G	244,165	2.8%	2016
		3,383,669	38.2%	

For the Year Ended December 31, 2024

Ranking	Supplier	Purchase amount	Percentage of total purchase	Year of commencing business relationship with us
		(RMB'000)		
1.	Supplier A	1,211,982	17.5%	1999
2.	Supplier B	493,538	7.0%	2017
3.	Supplier C	447,103	6.4%	2018
4.	Supplier E/Customer E	271,194	3.9%	2019
5.	Supplier D	256,954	3.7%	2017
		2,680,771	38.5%	

For the Year Ended December 31, 2023

Ranking	Supplier	Purchase amount	Percentage of total purchase	Year of commencing business relationship with us
		(RMB'000)		
1.	Supplier A	1,013,411	18.1%	1999
2.	Supplier B	357,766	6.4%	2017
3.	Supplier C	318,109	5.7%	2018
4.	Supplier D	178,017	3.2%	2017
5.	Supplier F	169,939	3.0%	2006
		2,037,242	36.4%	

Notes:

(1) Supplier A is a company headquartered in Dongguan, Guangdong Province, the PRC, mainly engaged in the development, production and sales of copper clad laminates, bonding sheets, and electronic materials. Supplier A is listed on the Shanghai Stock Exchange. We mainly purchased copper clad laminates and prepregs from Supplier A during the Track Record Period.

(2) Supplier B is a company headquartered in Taiwan, China mainly engaged in the business of plastic processing, plastic raw materials, electronic materials and polyester fiber products. Supplier B is listed on the Taiwan Stock Exchange. We mainly purchased copper clad laminates and prepregs from Supplier B during the Track Record Period.

(3) Supplier C is a company headquartered in Yingtan, Jiangxi Province, the PRC, mainly engaged in the development, production and sales of new copper-based materials for electronic circuits. Supplier C is listed on the Shanghai Stock Exchange. We mainly purchased copper plates and balls from Supplier C during the Track Record Period. As of the Latest Practicable Date, we held 0.08% of the equity interest in Supplier C.

(4) Supplier D is an enterprise based in Nanchang, Jiangxi Province, the PRC, mainly engaged in the supply of chemical raw materials, industrial gold and silver products, and electronic component processing. We mainly purchased gold salts from Supplier D during the Track Record Period.

(5) Supplier E/Customer E is a company headquartered in Suzhou, Jiangsu Province, the PRC, mainly engaged in the supply of new display overall solutions. Supplier E/Customer E is listed on the Shenzhen Stock Exchange. We mainly purchased electronic components from Supplier E/Customer E during the Track Record Period.

(6) Supplier F is a company headquartered in Taiwan, China mainly engaged in the supply of MLPCB substrates and copper foil substrates. Supplier F is listed on the Taiwan Stock Exchange. We mainly purchased copper clad laminates and prepregs from Supplier F during the Track Record Period.

(7) Supplier G is a company headquartered in Yantai, Shandong Province, the PRC, mainly engaged in the supply of electronics chemical materials. We mainly purchased gold salts from Supplier G during the Track Record Period.

(8) Supplier H is a company headquartered in Zhongshan, Guangdong Province, the PRC, mainly engaged in the supply of electronics materials and components. We mainly purchased copper clad laminates and prepregs from Supplier H during the Track Record Period.

(9) Supplier I is a company headquartered in Nanchang, Jiangxi Province, the PRC, mainly engaged in the supply of electronics materials and components. We mainly purchased gold salts from Supplier I during the Track Record Period.

To the best of our knowledge, for each period during the Track Record Period and up to the Latest Practicable Date, all of our five largest suppliers in each period were Independent Third Parties, and to the best of our Directors' knowledge, none of our Directors or their respective close associates or any person who, to the knowledge of the Directors, owned more than 5% of our issued share capital, had any interest in any of our five largest suppliers.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any significant fluctuation in prices set by our suppliers, material breach of contracts on the part of our suppliers or significant delay in delivery of our orders from our suppliers, nor did we have any material disputes with our suppliers.

Contractual Agreements with Suppliers

The typical salient terms and conditions of our agreements with suppliers are set out below:

- *Order Placement*: Procurement orders, which include the product name, quantity, unit price, total purchase amount, delivery date and location, and payment terms and conditions will be placed separately.

- *Shipment and Delivery*: Suppliers are typically responsible for delivering ordered products to our designated location in accordance with the agreed delivery schedule and assume the costs and risks associated with the shipment.

- *Credit Terms*: Our suppliers typically grant us a credit term of 90 to 120 days.

- *Quality Control and Product Returns*: All raw materials must comply with applicable national and industry standards as well as our technical specifications. We conduct inspections upon delivery and reserve the right to reject or return non-compliant goods.

- *Product Warranty*: Our suppliers normally provide a product quality warranty period for the supplied raw materials ranging from three months to two years after acceptance, depending on the specific types of materials.

- *Intellectual Property:* Suppliers shall ensure that their products do not infringe upon any third-party intellectual property rights, and they shall bear all legal responsibilities and costs incurred by such kind of dispute.

- *Termination*: Generally, the contract can be terminated upon mutual agreement.

Overlapping Customers and Suppliers

During the Track Record Period, certain of our top five customers were also our suppliers, and certain of our top five suppliers were also our customer, details of which are explained below.

Customer E/Supplier E, one of our five largest customers in each of 2024 and 2025, was also one of our five largest suppliers in 2024, because Customer E/Supplier E requires its suppliers, including us, to purchase designated electronic components used in their products from certified vendors, including, in some cases, the Customer E/Supplier E itself, to better control quality. This is commonly referred to in the industry as the buy-and-sell model. Due to this reason, we also sold various PCB products of RMB256.8 million and RMB110.1 million, primarily FPC, to Customer E/Supplier E in 2023 and the four months ended April 30, 2026, respectively, and purchased electronic components of RMB151.8 million, RMB234.4 million and RMB55.2 million from it in 2023, 2025 and the four months ended April 30, 2026, respectively. Our sales to and purchases from Customer E/Supplier E were conducted in the ordinary course of business and on commercial terms negotiated on an arm's length basis.

Customer G, one of our five largest customers in 2023, was also our supplier in each of 2023, 2024, 2025 and the four months ended April 30, 2026 under the aforementioned buy-and-sell model. We sold various PCB products, primarily FPC, to Customer G and purchased electronic components from it, and the relevant purchase amounts were RMB96.6 million, RMB91.5 million, RMB95.6 million and RMB3.9 million in 2023, 2024, 2025 and the four months ended April 30, 2026, respectively. Our sales to and purchases from Customer G were conducted in the ordinary course of business and on commercial terms negotiated on an arm's length basis.

To the best of our knowledge, for each period during the Track Record Period and up to the Latest Practicable Date, both Customer E/Supplier E and Customer G in each period were Independent Third Parties.

According to CIC, in the FPC sector, it is common industry practice for a PCB manufacturer to both sell to and purchase from the same customer/supplier. Due to the technical characteristics of FPC processing and the need for supply chain control, FPC customers often supply electronic components to PCB manufacturers. After completing the SMT process on the FPC products, the PCB manufacturers then deliver the finished products back to those customers.

TARIFF, TRADE RESTRICTION AND EXPORT CONTROL IMPLICATIONS

U.S. Tariff Implications

Section 301 Tariffs

In August 2017, the Office of the U.S. Trade Representative ("**USTR**") initiated a Section 301 investigation into China's acts, policies, and practices related to technology transfer, intellectual property, and innovation. In March 2018, USTR concluded that China had engaged in practices that were found to burden U.S. commerce and justified remedial action. Following such findings, the U.S. imposed tariffs on various goods of Chinese origin under four lists, most of which are subject to a 25% Section 301 tariff. USTR established a product exclusion process allowing companies to seek temporary relief from tariffs. In January 2020, the U.S. and China signed the "Phase One" Economic and Trade Agreement. Despite such agreement, most of these Section 301 tariffs remained in place. The Group's products imported into the U.S. are subject to a 25% Section 301 tariff, which are borne by our customers.

IEEPA and Section 122 Tariffs

Starting in February 2025, the U.S. government imposed a series of tariff increases on imports from China, including two sets of tariffs under IEEPA. IEEPA tariff rates fluctuated between February 2025 and November 1, 2025, when the U.S. and China announced their agreement to relax certain tariff and other trade controls, and the United States lowered the tariffs on Chinese imports imposed to curb fentanyl flows by removing 10 percentage points of the cumulative rate of 20%. On February 20, 2026, the U.S. Supreme Court ruled that the reciprocal tariffs and fentanyl tariffs were unlawful and were no longer effective as of January 20, 2026. In response to the U.S. Supreme Court's decision, the Trump Administration imposed a 10% tariff under Section 122 of the Trade Act effective from February 24, 2026 with a period of no more than 150 days. The Group's products are not covered by the Section 122 tariffs. The Trump Administration will likely seek to impose additional tariffs under other statutory authorities, including Section 301, when the Section 122 tariffs lapse after 150 days.

As advised by our U.S. export control and sanctions counsel, considering that (i) in each year/period during the Track Record Period, we only had limited sales to U.S. customers, which accounted for approximately 3% of our total revenue; and (ii) since the imposition of the various U.S. tariffs, although some affected customers reduced orders, we have not experienced any material adverse changes in our order volume, product price, customer payment or logistics arrangements due to the U.S. tariffs issue, our Directors are of the view that the U.S. tariffs during the Track Record Period did not, and going forward will not, have any material adverse impact on our business operations or financial performance. Based on the independent due diligence conducted by the Joint Sponsors, nothing has come to the Joint Sponsors' attention that would reasonably cause them to disagree with the Directors' foregoing view.

Given the ongoing uncertainty surrounding U.S. tariff policies and their potential impacts, we are closely monitoring relevant developments, strengthening communication with customers, and proactively adjusting our operational and sourcing strategies. Our key measures include:

- ***Diversified Customer and Market Base***: Expanding sales across multiple regions to reduce exposure to any single market and mitigate the potential impact of country-specific tariffs;

- ***Localized Supply Chain Optimization***: Enhancing cooperation with local suppliers for raw materials and equipment to ensure stable production and delivery in the event of tariff escalation;

- ***Close Customer Coordination***: Maintaining regular communication with major customers to understand their global supply chain adjustments and jointly plan production, pricing and logistics arrangements; and

- ***Scenario Monitoring and Contingency Planning***: Continuously assessing trade policy developments, including the relevant U.S. tariffs, and preparing contingency measures such as alternative supply routes, adjusted shipment destinations and flexible contractual pricing mechanisms.

U.S. Export Control Implications

Under the U.S. Export Administration Regulations ("**EAR**"), a license from the U.S. Department of Commerce, Bureau of Industry and Security ("**BIS**") may be required for the export, re-export or in-country transfer of any items (including commodities, software, and technology) subject to the EAR. Items subject to the EAR include not only those made in or located within the United States, but also certain non-U.S.-made items. In addition, recent developments under the EAR, including the "Supercomputer and Semiconductor Manufacturing End-Use" restrictions, among others, are designed to limit China's access to advanced computing and semiconductor manufacturing technologies. Effective from October 2022, Section 744.23 of the EAR imposes license requirements where an exporter, re-exporter, or transferor knows or has reason to know that certain items subject to the EAR are intended for supercomputer or semiconductor manufacturing end-uses, with implementation phased in over time.

We do not procure and incorporate any U.S.-origin items into our products. During the Track Record Period, we had only procured a limited number of U.S.-origin manufacturing equipment, which are all low-control items under the EAR and generally do not require a license for export, re-export, or transfer except when destined for an embargoed or sanctioned country, an end user of concern, or a prohibited end use. As advised by our U.S. export control and sanctions counsel, we are eligible to receive such U.S.-origin manufacturing equipment without a BIS license.

In addition, as advised by our U.S. export control and sanctions counsel, our Group was not included on the U.S. Entity List or any other U.S. export control restriction lists as of the Latest Practicable Date. During the Track Record Period, we did not experience any significant difficulties in procuring production materials from the U.S. or other jurisdictions. Our suppliers have not notified us of any changes or disruptions to supply arrangements. The Group's procurement, R&D and expansion activities have proceeded normally. In addition, we continue to advance our efforts to identify and qualify alternative suppliers for most U.S.-origin inputs to further mitigate potential supply risks. During the Track Record Period, certain of our customers were listed on the Entity List. As advised by our U.S. export control and sanctions counsel, the products we manufactured for these customers during the Track Record Period were not subject to the EAR and therefore an U.S. export license is not required for us to supply our products to these customers. Specifically, the *De Minimis* Rule, and Foreign Direct Product ("**FDP**") Rules are the two principal rules for determining whether our products are subject to the EAR. Pursuant to the *De Minimis* Rule under the EAR, a non-U.S. made item (such as our products) that incorporates controlled U.S.-origin commodities or that is bundled with controlled U.S.-origin software, in quantities exceeding the de minimis levels, is subject to the EAR under the *De Minimis* Rule. As advised by our U.S. export control and sanctions counsel, our products are not subject to the EAR under the *De Minimis* Rule when exported or re-exported to, or transferred within, China because our products only contain Chinese-origin content and do not incorporate any U.S.-origin items. Separately, under the FDP Rules, a non-U.S.-made item (such as our products) is subject to the EAR if it is the direct product of specified U.S.-origin technology or software, or is produced by a plant or major component of a plant that is itself the direct product of such technology or software, and if other applicable regulatory conditions (such as end user or end use) are met. As advised by our U.S. export control and sanctions counsel, our products sold to the Entity List customers are not subject to the EAR under the applicable FDP Rule because (i) none of our component suppliers has informed us, and we otherwise have no reason to suspect, that any of the items being supplied that are incorporated into the products that we manufacture for such customers are subject to the EAR pursuant to the applicable FDP Rule; (ii) no U.S.-origin equipment was used in the manufacture of such products; and (iii) when subsequently manufacturing products for such customers, we did not use any equipment (including production or testing equipment) that is a direct product of U.S.-origin software or technology based on prior information provided by our suppliers. Therefore, our Directors are of the view the U.S. export control during the Track Record Period did not, and going forward will not, have any material adverse impact on our business operations or financial performance. Based on the independent due diligence conducted by the Joint Sponsors, nothing has come to the Joint Sponsors' attention that would reasonably cause them to disagree with the Directors' foregoing view.

International Sanctions Implications

The U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**") administers regulations imposing economic sanctions on countries and designated individuals and entities. The principal sanctions list maintained by the OFAC is the Specially Designated Nationals and Blocked Persons List ("**SDN List**"), which includes persons determined by the U.S. government to be involved in activities that threaten or undermine U.S. national security or foreign policy objectives. Assets of persons designated on the SDN List are blocked, and U.S. persons are generally prohibited from dealing with them.

The European Union and United Kingdom maintain sanctions regimes that include both country-specific programs (such as Russia, Belarus, Iran and Syria) and thematic regimes targeting activities (such as cyber-attacks, terrorism and human rights violations). Sanctions measures under these regimes may include asset freezes, restrictions on trade in goods and technology, financial and investment restrictions, trade bans, travel restrictions, among others.

Our U.S. export control and sanctions counsel is of the view that our Group's business, especially dealings with our counterparties, including customers and suppliers, during the Track Record Period did not constitute Primary Sanctioned Activities or Secondary Sanctionable Activities, as:

- No members of the Group are located, incorporated, organized, or domiciled in countries or regions subject to comprehensive sanctions administered by the Relevant Sanctions Authorities;

- Neither our Company nor any of our subsidiaries is a Sanctioned Target or located in countries or regions subject to comprehensive sanctions administered by the Relevant Sanctions Authorities;

- None of our Shareholders is located in countries or regions subject to comprehensive sanctions administered by the Relevant Sanctions Authorities or would be deemed as a Sanctioned Target;

- Our Company is not owned 50% or more or controlled by any nationals of the Relevant Jurisdictions; and

- Except for limited customers on the Entity List, the Group does not have any customers or suppliers on any sanctions lists maintained by the Relevant Sanctions Authorities.

Therefore, our Directors are of the view the U.S. sanctions during the Track Record Period did not, and going forward will not, have any material adverse impact on our business operations or financial performance. Based on the independent due diligence conducted by the Joint Sponsors, nothing has come to the Joint Sponsors' attention that would reasonably cause them to disagree with the Directors' foregoing view.

OUTBOUND INVESTMENT RULE

On October 28, 2024, the U.S. Department of the Treasury (the "**Treasury**") issued the Provisions Pertaining to U.S. Investments in Certain National Security Technologies and Products in Countries of Concern (the "**Final Rule**"). The Final Rule, effective on January 2, 2025, is aimed at exerting greater U.S. government oversight over U.S. direct and indirect investments involving China and introduces new hurdles and uncertainties for cross-border collaborations, investments and funding opportunities of entities with ties to China. It targets investments involving entities associated with "countries of concern," currently defined as only China (including Hong Kong and Macau), and imposes investment prohibition or notification requirements on a wide range of U.S. person investment transactions in entities in countries of concern engaged in "covered activities" relating to three sectors: (i) semiconductors and microelectronics, (ii) quantum information technologies, and (iii) certain artificial intelligence systems. Under the Final Rule, entities with meaningful ties to China and engaged in covered activities are defined as "covered foreign persons." Subject to certain exceptions, equity investments (a "covered transaction") by a U.S. person in a covered foreign person are subject to prohibition or notification requirements.

As advised by our U.S. export control and sanctions counsel, we believe that although the Company is a "Person of a Country of Concern" as defined under the Final Rule, none of the Group's business activities fall under the definition of "Covered Activities" because the Group is primarily engaged in the research and development, production and sales of PCB, and does not engage in the design, fabrication or packaging of integrated circuits or other activities covered by "prohibited transactions" and "notifiable transactions" in the semiconductors and microelectronics sector under the Final Rule. In addition, the Group does not engage in any "Covered Activities" with respect to artificial intelligence systems, supercomputers, quantum computers and systems as specified in the Final Rule. Therefore, the Group is not deemed as a "Covered Foreign Person" under the Final Rule. Accordingly, an investment by a "U.S. person" in the H Shares of the Company is not a "Covered Transaction", and neither prohibited nor subject to the notification requirements under the Final Rule. However, we cannot assure you that the U.S. authorities will not take a different view on the applicability of the Final Rule. Furthermore, persist changes in both U.S. and non-U.S. jurisdictions to foreign investment laws and rules could adversely affect our strategic initiatives, financial performance and growth prospects.

PRODUCTION

Our manufacturing system is primarily built around self-owned production capacity, deeply integrating global supply resources with a localized manufacturing and delivery network, and developing a vertical capability loop that covers R&D, production and quality control. Relying on our self-managed facilities, we ensure high product quality while maintaining highly flexible configuration capabilities, allowing us to quickly customize production processes according to customers' unique needs and support efficient delivery from technical solutions to products.

The key competitive advantages of our production are summarized as set out below:

- *Strategic Planning and Supply Chain Resilience*: In line with our strategic development direction, we develop medium- and long-term production capacity and resource planning, proactively explore emerging areas, and ensure stable supply of key resources such as equipment and materials. We have built a robust supply chain network by building strong vertically integrated end-to-end capabilities.

- *Smart Production Preparation and Scheduling*: Based on market demand and resource availability, we use the smart scheduling system for intelligent production scheduling and material allocation to ensure efficient resource utilization.

- *Robust Multi-base Manufacturing Network*: As of April 30, 2026, we had six production bases comprising 12 modernized plants in Guangdong and Jiangxi Provinces in Chinese mainland, and one additional production base under construction in Thailand. This robust network of manufacturing facilities is crucial to ensuring the resilience of our production capabilities and our capacity to promptly meet the fluctuating customer demand. In particular, we are proactively expanding our production capacity for AI-related products to capture the enormous market opportunity created by the AI investment boom.

- *Quality Control*: We have implemented consistent and stringent manufacturing and quality control standards across all production bases and facilities. Our highly automated production lines and standardized work capabilities are built based on industry standards and reflect customers' requirements to ensure high product quality. We rigorously perform quality control on raw materials purchased, in-process quality control with multi-step inspections and outgoing quality control on finished goods to ensure our products meet stringent quality standards. We also implement real-time quality monitoring during delivery to ensure delivery satisfaction.

Production Process

Our manufacturing model is designed to accommodate the diverse requirements of our product portfolio. Depending on the product type, our production processes incorporate a range of advanced workflows, including:

- *Planning and Procurement*. We use rolling forecasts to assess the demand for our diverse PCB products. Our OMS system efficiently handles orders and coordinates scheduling. Leveraging a digital collaboration system deeply integrating MRP and SRM, we streamline the entire order-procurement-inventory chain, accurately matching the differentiated demand for different material categories and ensuring multi-product line supply. Moreover, we have annual resource planning and monthly production capacity and inventory planning, coupled with regular factory inspections and inventory checks to optimize our production planning and procurement process.

- *Production Preparation*. We use MRP as the core system for our production scheduling, coordinating material allocation and preparation of specialized tools, and presetting equipment parameters to achieve precise allocation of production resources. Through digital ID-based equipment integration and following a solid process protocol, we are able to efficiently address the production characteristics of multiple PCB, empowering differentiated production work streams.

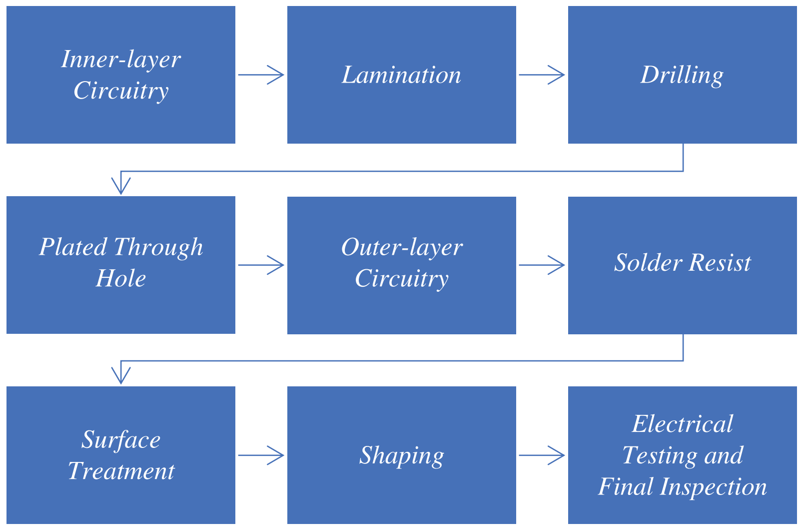
- *Manufacturing*. Leveraging a robust supply chain network comprising six production bases, we focus on targeted production for core product lines. Our MES system serves as the central hub, enabling automatic distribution of process parameters and real-time data collection. It integrates automated manufacturing processes with material and process testing, constructing a closed-loop quality control system that combines manufacturing and testing; and

- *Quality Inspection and Delivery*. We have established a comprehensive quality control and inspection system covering the entire production process, strictly implementing incoming quality control on raw materials, in-process quality control with multi-step inspections and outgoing quality control on finished goods. Seamlessly integrating work-in-process management, intelligent warehousing, and logistics, we ensure compliance with stringent quality standards through end-to-end traceability and efficient transportation mechanisms. This enables high-quality delivery of multiple product categories, precisely adapting to diverse downstream application scenarios.

With the continuous construction and improvement of our independent production capabilities, our manufacturing strength is steadily increasing. Our manufacturing layout not only reflects our strategic control over supply chain resilience and technological autonomy, but also provides customers with delivery assurances that combine flexibility, reliability, and continuity, thereby laying a solid foundation for the long-term growth of our core business.

The production processes of our diverse PCB products vary slightly. The following flowcharts illustrate the key steps in our production processes of RPCB and FPC products:

RPCB



- *Inner-layer Circuitry.* The PCB inner-layer graphic images are transferred to the copper-clad laminate. By coating the surface of the copper-clad laminate with a photosensitive material, the CAM pattern is transferred to the board surface via LDI, and finally the inner layer circuitry is fabricated through a development and etching process.

- *Lamination.* Under high temperature and pressure, the inner core board and the prepreg are laminated together to form a stable multi-layer structure.

- *Drilling.* Through holes are processed using mechanical drilling, while micro blind holes are processed using laser ablation. The desmear process removes residual copper shavings from the hole edges caused by drilling using mechanical brushes.

- *Plated Through Hole.* This is electroless or chemical copper plating, where copper is deposited onto the wall of a drilled hole through a redox reaction, creating conductivity within the hole. After chemical copper plating, electroplating is performed to achieve the required copper thickness inside and on the surface of the hole, forming a strong conductive interconnect.

- *Outer-layer Circuitry.* A photosensitive film is applied to the processed copper surface, and LDI laser imaging technology is used to transfer the CAM pattern to the board surface to form the required circuit pattern.

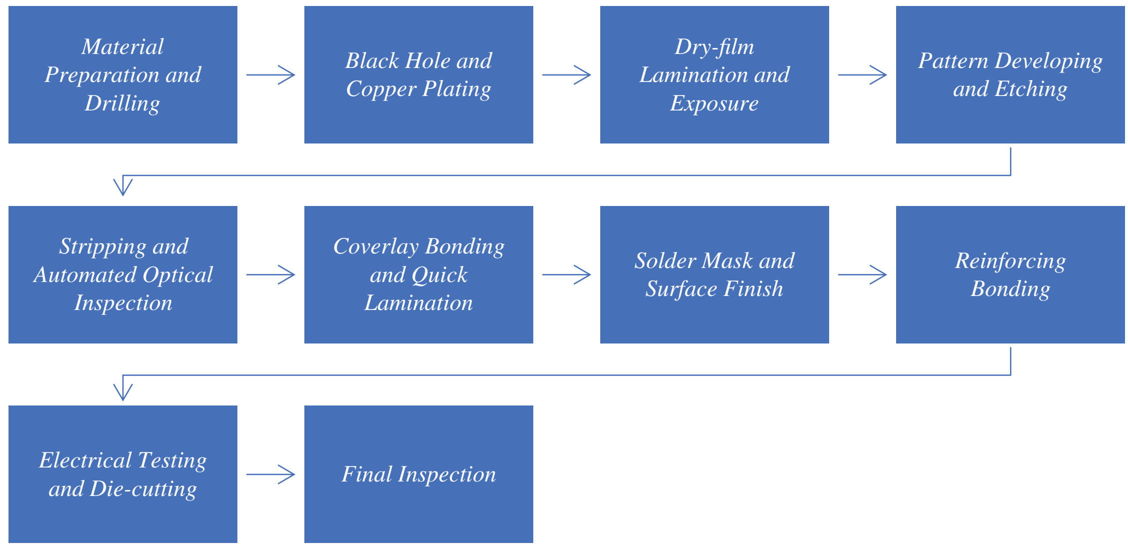
- *Solder Resist.* After cleaning and roughening the PCB behind the outer circuitry, a layer of photosensitive ink is coated on the surface by screen printing or spraying. After LDI exposure and development, the pads and vias that need to be soldered are exposed. The ink is then cured by high-temperature baking, forming an insulating protection and solder resist for the circuitry.

- *Surface Treatment.* After cleaning the exposed copper surface, pads, and metal holes after solder resist, a solder base and metal protective layer (such as nickel layer and gold layer, tin layer, silver layer and organic solderability preservative) are formed on the exposed metal surface by chemical or electroplating methods.

- *Shaping.* The work-in-progress PCB is processed into the unit shape required by the customer.

- *Electrical Testing and Final Inspection.* The PCB undergoes electrical testing to detect short circuits and open circuits, and a visual and dimensional inspection and reliability test are performed before shipment to ensure that the product quality meets the quality standards.

FPC



- *Material Preparation and Drilling*. Flexible copper-clad laminates with materials such as polyimide as substrates are precisely cut into panels of the required size. Drilling operations are then performed to create alignment holes, vias, and openings for mounting components.

- *Black Hole and Copper Plating*. The drilled holes undergo a "blackening" process, where carbon particles are deposited as a seed layer to provide conditions for copper plating and improve the adhesion of subsequent plating layers.

- *Dry-film Lamination and Exposure*. A dry film photoresist layer is laminated onto a FPC panel. The circuit pattern is then transferred to the copper foil surface by ultraviolet exposure.

- *Pattern Developing and Etching*. After exposure to ultraviolet light, the dry film enters the development stage to remove unexposed areas. Etching then removes the unprotected copper foil, leaving the designed circuit traces on the FPC.

- *Stripping and Automated Optical Inspection*. The remaining dry film photoresist on the panel is peeled off. Then, automated optical inspection is performed to verify the accuracy of the formed circuit and detect defects such as short circuits, open circuits, or irregularities in the circuit geometry.

- *Coverlay Bonding and Quick Lamination*. Polyimide coverlay films are laminated onto FPC panels. Through rapid hot laminating, these films protect the complex circuit traces.

- *Solder Mask and Surface Finish*. In the FPC assembly process, areas that do not require soldering are coated with a solder resist layer. At the same time, exposed copper pads undergo surface treatments such as electroless nickel immersion gold plating, electroless nickel-palladium immersion gold plating, organic solderability protectants, or gold plating.

- *Reinforcing Bonding*. If the design requires additional mechanical support, reinforcing materials such as polyimide, FR-4, or stainless steel can be glued to designated areas of the FPC, typically on the back of the connector or component mounting points.

- *Electrical Testing and Die-cutting*. FPC undergoes electrical testing to ensure there are no short circuits or open circuits. After passing the electrical test, the FPC is cut into its final shape and size according to design requirements by mechanical stamping or laser cutting.

- *Final Inspection*. A comprehensive final inspection is conducted on the finished FPC to verify dimensional accuracy, circuit integrity, and surface quality.

The production lead time of our RPCB, FPC and MPCB products typically range from approximately 17 to 22 days, 18 to 20 days, and 15 days, respectively. Our production leverages various key machineries such as laser drilling machines, PLB horizontal plating lines, CT penetration testers, and CCD back-drilling machines. We do not rely on specific suppliers for such key machineries, and thus there is no relevant concentration risk. During the Track Record Period, we had procured a limited number of U.S.-origin manufacturing equipment. See "— Tariff, Trade Restriction and Export Control Implications — U.S. Export Control Implications" in this section for further details.

Our Production Facilities

As of April 30, 2026, we had six production bases comprising 12 modernized plants in Guangdong and Jiangxi Provinces in Chinese mainland, and one additional production base under construction in Thailand. In January 2026, our Jingjia Intelligent Manufacturing Building (景嘉智能製造大廈) officially commenced operation, which is located in Bao'an District, Shenzhen and serves as our headquarters factory. This factory has consolidated the production capacity of old factories in Shenzhen, and focuses on the R&D and manufacturing of multi-category, high-tech, high-value-added RPCB and FPC products. The following table sets forth detailed information relating to our established production bases as of April 30, 2026:

Production Bases	Location	GLA (m^2)	Main Products	Year of Establishment
Jinwan (金灣)	Zhuhai, Guangdong, PRC	157,381	• HDI, SLP, HLC	2021
Longchuan (龍川) . .	Heyuan, Guangdong, PRC	273,592	• RPCB, FPC, MPCB	2008
Jishui (吉水)	Ji'an, Jiangxi, PRC	243,676	• RPCB	2014
Xinfeng (信豐)	Ganzhou, Jiangxi, PRC	219,106	• RPCB	2025
Shenzhen (深圳) . . .	Shenzhen, Guangdong, PRC	92,466	• RPCB, FPC	1993
Fushan[(1)] (富山) . . .	Zhuhai, Guangdong, PRC	85,542	• FPC	2004

Note:

(1) The Fushan production base (Zhuhai City, Guangdong Province) is operated by Zhuhai Kinwong Flexible, in which we hold 51.0% equity interest and Luxshare Precision holds 49.0% equity interest. Luxshare Precision is a company listed on the Shenzhen Stock Exchange (stock code: 002475).

We have been upgrading and expanding our production facilities, including the expansion of Jinwan production base (Zhuhai City, Guangdong Province), details of which are set forth in "— Production — Our Production Facilities — Expansion of Jinwan Production Base" in this section. In addition, in the following five years, we plan to upgrade our production capacity in Longchuan production base (Heyuan City, Guangdong Province) for multilayer FPC for edge AI and smart device applications with investments totaling approximately RMB2.7 billion. For further details, see "Future Plans and Use of Proceeds — Use of Proceeds" in this prospectus.

The following table sets forth the total designed production capacity, total output and utilization rate for our main product categories during the Track Record Period:

	For the Year Ended December 31,									For the Four Months Ended April 30,		
	2023			2024			2025			2026		
	Designed Production Capacity[(1)]	Total Output	Utilization Rate[(2)] (%)	Designed Production Capacity[(1)]	Total Output	Utilization Rate[(2)] (%)	Designed Production Capacity[(1)]	Total Output	Utilization Rate[(2)] (%)	Designed Production Capacity[(1)]	Total Output	Utilization Rate[(2)] (%)
	('000 sq.m., except for percentages)											
RPCB	7,416.4	6,811.9	91.8	7,682.7	7,668.9	99.8	9,848.6	9,143.6	92.8	3,408.3	3,049.3	89.5
Single- and double-sided PCB . .	1,859.9	1,768.9	95.1	1,859.9	1,856.9	99.8	2,219.2	1,997.9	90.0	741.6	634.1	85.5
MLPCB . .	5,223.5	4,784.5	91.6	5,462.7	5,455.0	99.9	7,125.0	6,742.2	94.6	2,517.2	2,296.1	91.2
HDI PCB .	333.1	258.5	77.6	360.1	357.1	99.2	504.5	403.5	80.0	149.5	119.1	79.7
FPC	2,038.7	1,809.0	88.7	2,411.1	2,137.8	88.7	2,484.2	2,361.3	95.1	849.4	636.7	75.0
Other PCB[(3)] .	546.9	470.8	86.1	557.7	483.5	86.7	579.1	526.5	90.9	212.8	142.9	67.2
Total	**10,002.1**	**9,091.6**	**90.9**	**10,651.5**	**10,290.2**	**96.6**	**12,911.9**	**12,031.5**	**93.2**	**4,470.6**	**3,829.0**	**85.6**

Notes:

(1) The designed production capacity is calculated based on the following assumptions: (i) 300 operational days per year (the operational days for the four months ended April 30, 2026 are derived on a pro rata basis), and (ii) 24 operating hours per day. The calculation of production capacity excludes production lines which were suspended for maintenance/technical upgrades.

(2) The utilization rate is calculated by dividing the total output by the designed production capacity for the relevant period.

(3) Include MPCB and rigid-flex PCB.

(4) The fluctuations of our utilization rates mainly reflected our customer orders on hand and sales forecast as well as our corresponding production scheduling. The utilization rates for the four months ended April 30, 2026 were generally lower mainly due to the impact of the Spring Festival holiday during the first quarter.

Expansion of Jinwan Production Base

The Jinwan production base (Zhuhai City, Guangdong Province) is our core base for high-end product manufacturing, focusing on high-end HDI, SLP and HLC fields. Our Jinwan production base covered a GLA of 157,381 sq.m. as of April 30, 2026. Equipped with industry-leading HDI and HLC manufacturing equipment and production management systems, our Jinwan production base has achieved highly automated production throughout its whole operation process, reducing the demand for labor input and manual intervention.

Leveraging our funds from operation and financing activities, we announced in August 2025 that we planned to invest additional RMB5.0 billion in the high-end production capacity expansion of our Jinwan production base, particularly the high-end HDI and HLC production capacity, so as to better cover the downstream fields, particularly AI servers. Based on our current best estimate, which remains subject to further adjustments, such expansion is expected to be completed in the last quarter of 2027. As the core production base to implement our "AI+" strategy, we believe the expansion of the Jinwan production base will empower our high-end manufacturing and strengthen our market position.

Construction of Thailand Production Base

We have been building an additional production base in Thailand, which focuses on the production of HLC and HDI PCB for overseas customers primarily spanning across the North America, Europe and Asia, such as the United States and Germany, to enhance global delivery capability and resilience. Our Thailand production base has completed the first phase of equipment installation and has entered the pilot production stage. It is expected to officially commence production in the second half of 2026, with a monthly output of 25,000 sq.m. of MLPCB products and HDI products, and it will also establish small-batch production capabilities for ultra-high layer count PCB in the same period. In light of the robust demand for ultra-high layer count PCB from the overseas markets, in 2027 our Thailand production base will focus on expanding the relevant production capacity, with an expected additional output of 13,000 working panels per month for ultra-high layer count PCB products. We may also further expand the production capability and capacity of our Thailand production base based on the market dynamics and our business strategies.

Our Intelligent Manufacturing Process

The PCB market is developing rapidly, especially in the data-driven era, which requires us to continuously enhance the digitization and automation of the manufacturing process. We focus on master data governance and end-to-end integrated collaboration, continuously deepening the standardized management of materials, suppliers, and customer data. By integrating demand forecasting, intelligent scheduling, precise procurement, and smart logistics across the entire manufacturing chain, and by adopting advanced intelligent manufacturing technologies and automated equipment in the manufacturing process, we continually advance the application of big data analytics, unlock data value, improve operations and manufacturing efficiency, and enhance market competitiveness.

For instance, our MES and EAP systems monitor the operational status of numerous devices in real time and automatically issue production instructions to improve intelligent manufacturing and end-to-end quality traceability, significantly reducing manual intervention. Moreover, our material procurement requirements are calculated automatically through the MRP system and purchase orders are automatically issued by the SRM system. Our customer orders are automatically retrieved and placed by RPA robots for manufacturing, which significantly shortened our customer order response cycle. Our ERP system achieves integrated business and financial management, and our BI tools drive real-time decision-making management across multiple factories and production workshops, effectively reducing costs and improving overall operational efficiency.

In 2025, we established our Xinfeng production base (Ganzhou City, Jiangxi Province), which currently features advanced production processes, digital manufacturing management platform and efficient management solutions and intelligent logistics system. It has become our MLPCB production base with the industry-leading level of automated and intelligent manufacturing as well as cost efficiency.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material production disruption due to unexpected failure of production flows or equipment.

QUALITY MANAGEMENT

We have established a comprehensive multi-dimensional quality control management system and have successively obtained more than ten certifications, including ISO9001 and IATF16949. Our full-process quality control and assurance mechanism systematically monitors the quality of all aspects of product development, manufacturing, delivery, and after-sale service to ensure compliance with applicable laws and regulations and quality standards. By establishing a quality traceability system, we have achieved full-chain traceable management from raw material procurement to finished product delivery and dynamically monitored key process quality parameters. In the production process, we use a systematic management approach to collect and analyze data in real time, combined with automated testing equipment, to ensure product quality and stability. From incoming material inspection to final product outgoing inspection, we conduct comprehensive testing of product functions, performance and reliability to ensure that our delivered products meet customer requirements and industry standards.

We strictly implement rigorous quality control measures and establish a comprehensive customer feedback and complaint handling process to promptly and effectively address customer concerns. We have mainly implemented the following procedures for quality control:

- *Quality Early Planning*: We use customer requirements, standards, and specifications as inputs to fully identify potential quality risks, and develop preventive control plans.

- *Raw Material Inspection and Selection*: We have established a strict qualification process for selecting qualified suppliers and a comprehensive evaluation process of new raw materials introduction, along with rigorous material inspection standards.

- *Production Process Monitoring*: We have set up key quality control checkpoints throughout the production process to enable on-site inspections and monitoring so that we can identify and address potential issues promptly.

- *Product Inspection and Testing*: We have implemented a comprehensive product quality inspection standard, along with nonconforming product and abnormality management standards. Every product undergoes 100% inspection to guarantee the quality of outgoing shipments.

- *Employee Skill Training*: All employees must undergo pre-job training and assessments, and we have established and implemented an occupational competency assessment mechanism. Additionally, we regularly organize professional skills and quality awareness training to continuously improve employees' quality consciousness and technical proficiency.

- *Quality Records and Management*: We maintain a robust quality record system to ensure data integrity, accuracy and traceability. We conduct statistical analysis of quality data to identify potential issues for improvement timely, fostering continuous improvement of product quality.

- *Internal Review and Auditing*: We actively monitor the performance of each manufacturing facility in terms of quality management and conduct regular internal reviews. We carefully analyze product deficiencies identified and objectively allocate liability internally accompanied by corresponding disciplinary actions. In particular, we are dedicated to continuously strengthening our management team's awareness of quality and responsibility to motivate them to improve quality control by proactive leadership.

During the Track Record Period and up to the Latest Practicable Date, we did not receive (i) any fines, product recall orders or other penalties from the relevant competent authorities regarding material product quality issues, (ii) any material product returns from our customers, or (iii) any material complaints from consumers. As of the Latest Practicable Date, our Directors and management were not aware of any potential material product returns or any pending product recalls, investigations or actions by relevant authorities or consumer groups which may lead to a product recall. Moreover, we have been recognized by many customers as their outstanding suppliers due to our outstanding quality control.

WAREHOUSING, LOGISTICS AND INVENTORY MANAGEMENT

We leverage our own warehouses mainly for storing raw materials and finished goods. We primarily engage reputable third-party logistics service providers to provide delivery services. Finished products that have passed quality inspections are delivered by the logistics service providers from our own production bases directly to our customers or to our designated warehouses and ultimately to locations specified by our customers. We select logistics service providers based on their reputation, scale of operations, track record and price. We typically enter into long-term strategic agreements with our logistics service providers. We have established long-term strategic partnerships with international shipping giants. Our logistics network covers multimodal transport channels including sea, land, air, and rail, and we achieve end-to-end data synchronization and traceability based on our EDI system, ensuring the reliability and efficiency of delivery to our global customers.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material disruption in the delivery of our products or suffered any loss due to late delivery or mishandling of products by our logistics service providers.

Our inventories mainly comprises raw materials and consumables, work in progress, finished goods and goods in transit. As of December 31, 2023, 2024 and 2025, the balance of our inventories was RMB1,364.0 million, RMB1,742.4 million and RMB2,515.6 million, respectively, and the increases of our inventory balance were due to the increase in production volume in line with higher sales during the same period. Our inventories further increased to RMB3,216.6 million as of April 30, 2026, primarily due to the higher levels of raw materials and consumables held by us, driven by increased production volume and rising raw material price. In 2023, 2024 and 2025 and the four months ended April 30, 2026, our inventory turnover days were 61 days, 58 days, 65 days and 79 days, respectively.

To maintain our competitive position and align our products with evolving market demands, we have implemented various measures to optimize our inventory levels. These measures include minimizing inventory backlog and optimizing our inventory management processes. In terms of procurement, we standardize the purchase order approval process through the ERP system and formulate procurement plans based on a safety stock model and dynamic demand forecasting. In terms of warehousing, we monitor the inflow and outflow of materials in real-time and conduct on-site inventory checks to ensure consistency between the books and actual stock. In terms of sales, we use the BI tools to promptly track inventory aging, automatically distinguish inventory based on its age, and synchronize shipping plans to ensure finished goods deliveries match orders. These measures enable us to respond more quickly to fluctuations in upstream and downstream demand while reducing the risk of inventory backlog.

By interconnecting and integrating data from the MES system, we have established a BI visual electronic intelligent dashboard, constructing an end-to-end intelligent supply chain control tower to achieve full-link visual monitoring from raw materials, work-in-process, finished products to logistics in transit. This system dynamically optimizes inventory structure, inventory age, and safety levels, effectively accelerating asset turnover and improving accounts receivable and inventory turnover rates.

We conduct inventory checks periodically to ensure efficient warehouse operations. We carry out annual on-site inventory audits and inspections at the end of each year, during which inventory inspection reports are prepared. These reports guide the timely management of obsolete and slow-moving inventories. A dedicated working group leads our finance team in conducting inventory audits and inspections, with findings and discrepancies reported to senior management. Our Directors confirm that our inventory control systems and policies have been effective, with no significant supply shortages or inventory overstock issues experienced during the Track Record Period and up to the Latest Practicable Date.

INFORMATION TECHNOLOGY

We believe that information technology is essential to maintain our competitive position. We utilize a number of information technology systems to manage all aspects of our operations, including but not limited to sales management, procurement, production, quality control, inventory management and financial reporting. The following information technology systems are the most critical to our business among our collective integrated information systems:

ERP (Enterprise Resource Planning) System	Our ERP system is employed to provide a unified business and finance platform that enables cross-departmental collaboration and enhances overall operational efficiency. It provides real-time operational data for all business modules, standardizes business processes, accurately controls costs, and assists in overall decision-making.
MRP (Material Requirements Planning) System	Our MRP system is employed to identify necessary raw materials, estimate the quantities of required raw materials and determine when raw materials will be required to meet the production schedule, and manage raw materials delivery timing, with the goal of meeting production demands and improving the inventory structure.
SRM (Supplier Relationship Management) System	Our SRM system is employed to facilitate seamless collaboration and communication with suppliers, and monitor supplier performance and risk to improve procurement effectiveness and supply chain reliability.
RPA (Robotic Process Automation) System	Our RPA system automates end-to-end business processes across systems and platforms by simulating human-computer interaction with high precision. It uses software robots to perform tasks such as retrieving and placing customer orders, thereby automating repetitive tasks.
Big Data Business Analysis Platform	Leveraging a solid data warehouse, our big data business analysis platform can provide us with business intelligence (BI) tools for business analytics, data mining and data visualization.

MES (Manufacturing Execution System)	Our MES system can digitally connect, monitor and control the manufacturing process in real time, enabling transparent and traceable production, connecting ERP and EAP, supporting flexible production and improving overall equipment efficiency.
EAP (Equipment Automation Program) System	Our EAP system is employed to automatically and remotely control and monitor manufacturing equipment to improve production efficiency and ensure smooth operation, communicate with upper-level applications such as MES to parse production information, and integrate with other systems to collect process data and equipment parameters to enhance production efficiency and reduce errors.

The capabilities and the stability of our IT infrastructure are vital to our business operations. Our IT department has built a 24/7 business continuity assurance system by implementing preventative inspections, automated data backup strategies, full lifecycle system maintenance, and intelligent monitoring and early warning mechanisms to ensure the continuous operation of critical IT infrastructure. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material failure or general breakdown of our IT systems which had resulted in a material adverse impact on our overall business operations.

INTELLECTUAL PROPERTY

Intellectual property rights are critical in safeguarding our business. We protect our intellectual property rights through a combination of patents, trade secrets, know-how, trademarks, copyrights, unfair competition laws and contractual rights, such as confidentiality agreements. Our future commercial success depends, in part, on our ability to obtain and maintain patents and other intellectual property as well as proprietary protections for commercially important technologies, inventions and know-how related to our business, defend and enforce our patents, preserve the confidentiality of our trade secrets and operate without infringing, misappropriating or otherwise violating the intellectual property rights of external parties. We have a dedicated team responsible for intellectual property-related matters, which conducts comprehensive planning for the layout of intellectual properties. Regarding intellectual property infringement, we have established procedures specifically to identify potential infringement.

As of April 30, 2026, we held (i) 409 granted patents, comprising 406 in Chinese mainland (including 273 invention patents) and three in overseas jurisdictions, and (ii) 63 trademarks, comprising 58 in Chinese mainland and five in overseas jurisdictions. We also had 207 patent applications pending, comprising 206 in Chinese mainland and one in overseas jurisdictions. See the section headed "Appendix IV — Statutory and General Information — (B) Further Information about Our Business — 2. Intellectual Property Rights" in this prospectus for more information of intellectual property rights that are material to our business. Much of our intellectual property consists of know-how and trade secrets, and we often rely on the technological skills and innovation of our personnel rather than solely on patent protection. We believe that much of our business success is attributable to our design, manufacturing and testing capabilities, customer relationships, supply chain management and the technical expertise which we have developed in our business operation. We protect these aspects of our business through a comprehensive framework of legal protections, contractual safeguards and rigorous internal controls.

During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any intellectual property infringement disputes or claims which had any material adverse impact on our Group. Please see the section headed "Risk Factors — Risks Related to Our Business and Our Industry — We may face claims of intellectual property infringement, which could be time-consuming and costly to defend or settle, result in the loss of significant rights, harm our relationships with our customers, or otherwise materially adversely affect our business, financial condition and results of operations" in this prospectus.

DATA PRIVACY AND SECURITY

Due to our business needs, we collect and store business data, management data and transaction data generated during or in connection with our business operations, including data related to our business and transactions with our customers, suppliers and other relevant parties. We generally do not collect or process individual customers' personal information since our customers are primarily brand companies rather than individuals.

We have followed the ISO27001 international standard to establish a comprehensive data security and information management system, to ensure the integrity of our systems and the privacy of our data. We have implemented several security measures, including firewalls, intrusion prevention systems, regular penetration tests, vulnerability scans, and disaster recovery plans. We also encrypt data and utilize email security protection systems. We have also adopted rigorous encrypted algorithm to store sensitive data and strictly execute a data accessing and transmitting policy to ensure the confidentiality of our data. We have developed strict internal control and data accessing mechanisms as well as detailed approval and operation procedures regarding data storage and processing, and established a set of internal protocols on data security, which set forth detailed and stringent requirements in relation to the use, disclosure and protection of confidential information. We conduct regular maintenance, inspections and technical upgrades on computers, servers, and information technology infrastructure. We have a comprehensive data backup system to encrypt and store data on servers in different locations in order to minimize the risk of data loss. We also conduct data restoration tests to examine the status of the backup system on a regular basis.

Looking forward, we remain dedicated to strengthening our data security framework optimization and enhancing the cybersecurity and data compliance standards, prioritizing innovation and adaptability in our practices to meet the growing expectations of data protection in global markets.

Our PRC Legal Advisor is of the view that we have been in compliance with the relevant PRC laws and regulations relating to cybersecurity and data protection in all material aspects during the Track Record Period and up to the Latest Practicable Date.

COMPETITION

According to CIC, the global PCB industry where we operate and compete is relatively fragmented and features intense competition. In 2025, the combined market share of the top 15 global PCB providers reached 48.9% in terms of revenue. Generally, the competitive landscape of the global PCB industry features (i) continuously increased industry concentration as customers tend to establish long-term and stable cooperative relationships with certified large-scale PCB providers; (ii) accelerated domestic substitution as leading PCB providers in Chinese mainland and Taiwan, China have gradually captured the market share from European, American, and Japanese competitors; and (iii) prominent economies of scale and technological synergy advantages as leading PCB providers can achieve technological sharing and optimal resource allocation across product lines, and effectively control costs by integrating supply chain resources and conducting large-scale procurement.

To maintain and enhance our competitive edge, we will endeavor to maintain and expand our domestic and international customer base by a competitive product portfolio featuring continuous innovation and iteration, coupled with excellent customer services. Moreover, we will continue to scale up our operation to fully leverage economies of scale to optimize our operation efficiency and control of costs. See "Industry Overview" for details relating to our competitive landscape.

SEASONALITY

Demand for and sales of our products generally follow the same seasonality pattern as end customers that incorporate our PCB products. For PCB products applied in AI infrastructure and automotive electronics, the seasonal pattern is less pronounced. For PCB products used in smart devices, we typically experience higher sales in the second half of the year due to the new product launch cycles of downstream end markets and increased shopping activities during the holiday season. Moreover, we typically record relatively lower sales and revenue in the first quarter due to the impact of the Spring Festival holiday.

EMPLOYEES

As of April 30, 2026, we had 22,278 full-time employees. The following table sets forth the number of our employees by function as of April 30, 2026:

Function	Number of Employees	% of Total
Manufacturing	13,944	62.6
Technical	6,222	27.9
Administrative and management	1,706	7.7
Sales	313	1.4
Finance	93	0.4
Total	22,278	100.0

As of April 30, 2026, approximately 99.2% of our employees were based in Chinese mainland.

We believe that our ability to attract, retain and motivate employees is critical to our success. We offer employees competitive salaries and performance-based cash bonuses. In addition to salaries and bonuses, we also provide extra welfare and special incentives such as the annual health check and meal allowance, and for certain high-level talent, free housing and share incentives.

We have designed various recruiting programs targeted at potential talent meeting our operational needs. We believe that our reputation, work environment, training system, remuneration package and employee share incentive plan are advantageous that attract qualified candidates. We primarily recruit our employees through internal referrals, headhunters, our website and social networking platforms and on-campus job fairs. We believe that we offer our employees competitive compensation and that we are able to attract and retain qualified personnel and maintain a stable core management team. To support our overseas expansion strategy, we have endeavored to hire more experienced staff who can handle cross-border business matters.

As required by the PRC laws and regulations, we participate in various employee social security plans and housing provident funds for our employees that are administered by local governments. The social security plans include pension insurance, work-related injury insurance, basic medical insurance, maternity insurance and unemployment insurance. Bonuses are generally discretionary and based on employee performance and the overall performance of our business.

We enter into standard labor agreements with our employees. For employees with access to trade secrets and core technologies, particularly our core R&D staff, we have implemented stringent confidentiality and non-compete agreements. We currently have a labor union, and we believe that we maintain a good working relationship with our employees. We had not experienced any material strikes or work stoppages during the Track Record Period and up to the Latest Practicable Date.

PROPERTIES

We own and lease certain properties in Chinese mainland and overseas countries and regions. The properties we own and lease are primarily used for manufacturing, office, staff dormitory, warehousing, and R&D purposes.

These properties are used for non-property activities as defined under Rule 5.01(2) of the Listing Rules. As of April 30, 2026, each of our property interests had a carrying amount less than 15% of our combined total assets. Therefore, according to Chapter 5 of the Listing Rules and 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 prospectus is exempted from compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, which require a valuation report with respect to all our interests in land or buildings.

Owned Land and Properties

As of April 30, 2026, we had the right to use 13 parcels of land with a GLA of approximately 1,044,455 sq.m. located in Chinese mainland. As of the same date, we owned 166 properties, with an aggregate area of approximately 1,083,886 sq.m. primarily used for manufacturing, office, staff dormitory, warehousing, and R&D purposes.

As of April 30, 2026, we owned three properties in Hong Kong, with an aggregate area of approximately 354 sq.m. primarily used for office and warehousing purposes. As of the same date, we owned five parcels of land in Thailand covering an aggregate area of over 110,000 sq.m. primarily used for manufacturing, warehousing and office purposes.

As of April 30, 2026, we had obtained all ownership certificates and necessary title documents with respect to the aforementioned land and properties.

Leased Properties

As of April 30, 2026, we leased eight properties in Chinese mainland mainly for our manufacturing, office, staff dormitory, and R&D purposes, with an aggregate area of approximately 55,895 sq.m.

INSURANCE

As required by PRC laws and regulations, we maintain government-mandated insurance and benefits for our employees in Chinese mainland, including the medical, pension, unemployment, occupational injury and maternity insurance as well as housing provident funds. We also maintain statutorily required insurance coverage for overseas employees. From an operational risk perspective, we have procured various commercial insurance policies, including property all-risk insurance, cargo transportation insurance, trade credit insurance and commercial general liability insurance covering product liability and premises liability. We believe that our insurance coverage is in line with the industry practice. We procured insurance policies by type and amount that we consider sufficient and evaluated such insurance policies from time to time based on our past experience, changes in manufacturing and industry developments. However, there is no assurance that the insurance policies we maintain are sufficient to cover all of our operational risks. Our management will evaluate the adequacy of our insurance coverage from time to time and purchase additional insurance policies as needed. For more information, please refer to "Risk Factors — Risks Related to Our Business and Our Industry — We may not have sufficient insurance coverage to cover our business risks" in this prospectus.

During the Track Record Period and up to the Latest Practicable Date, we did not submit any material insurance claims, nor did we experience any material difficulties in renewing our insurance policies.

AWARDS AND RECOGNITIONS

During the Track Record Period and as of the Latest Practicable Date, we received numerous awards and recognitions for our technologies and products. Some of the significant awards and recognition we received are set forth below:

Award Year	Award/Recognition	Awarding Institution/Authority
2026	Green Factory (綠色工廠)	MIIT
2026	Advanced Smart Factory of Guangdong Province (廣東省先進級智能工廠)	Department of Industry and Information Technology of Guangdong Province (廣東省工業和信息化廳)
2026	Digitalized Smart Factory (數智工廠)	Department of Industry and Information Technology of Jiangxi Province (江西省工業和信息化廳)
2025	Science and Technology Award (First Prize for Scientific and Technological Progress) (科學技術獎(科技進步一等獎))	Guangdong Electronics and Information Industry Association (廣東省電子信息行業協會)
2025	Ranked 42nd among Top 500 Manufacturing Enterprises in Guangdong Province (廣東省製造業企業500強第42位)	Guangdong Manufacturing Association (廣東省製造業協會) Guangdong Provincial Academy of Development and Reform (廣東省發展和改革研究院) Institute of Industrial Economics of Jinan University (暨南大學產業經濟研究院)
2025	Jiangxi Province Digital Leading Enterprise (江西省數字領航企業)	Jiangxi Provincial Department of Industry and Information Technology (江西省工業和信息化廳)
2025	Jiangxi Enterprise Standard Forerunner Certificate (江西省企業標準"領跑者"證書)	Industrial Product Inspection and Testing Institute of Jiangxi Provincial Institute of Inspection, Testing and Certification (江西省檢驗檢測認證總院工業產品檢驗檢測院)

Award Year	Award/Recognition	Awarding Institution/Authority
2024	Ranked Third among the Top 100 Chinese Domestically-owned PCB Companies (中國內資PCB百強)	China Printed Circuit Association (中國電子電路行業協會)
2024	Ranked 59th among Top 100 Enterprises in Guangdong's Electronic Information Manufacturing Industry (廣東省電子信息製造業綜合實力百強企業)	Guangdong Electronics and Information Industry Association (廣東省電子信息行業協會)
2024	National-level Postdoctoral Research Station (國家級博士後科研工作站)	National Administrative Committee of Post-doctoral Researchers (全國博士後管理委員會)
2023	Shenzhen Baoan District Smart Manufacturing Benchmark Enterprise (深圳市寶安區智能製造標桿企業)	Shenzhen Baoan District Bureau of Industry and Information Technology (深圳市寶安區工業和信息化局)

LICENSES, CERTIFICATES AND PERMITS

During the Track Record Period and up to the Latest Practicable Date, as advised by our PRC Legal Advisors, we had obtained all requisite licenses, certificates and permits from the relevant authorities that are material to our operations in Chinese mainland. We are required to renew such licenses, permits, approvals and certificates from time to time. As advised by our PRC Legal Advisors, we do not expect any material legal obstacles in such renewal once the relevant documents are submitted as required by the relevant government authorities. In addition, during the Track Record Period and up to the Latest Practicable Date, we had obtained all material licenses, certificates and permits necessary to conduct our business in all relevant jurisdictions. We do not expect any material legal obstacles in renewing our licenses, certificates and permits, as necessary, from time to time.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We are dedicated to following our ESG strategic guideline of adhering to value orientation and technological development, continuously providing high-quality products and services for customers, and building a green, low-carbon, and modernized enterprise. We incorporate the ESG principles of lean production, technological development, environmental protection, sustainable development, and social responsibility into both our business strategy and daily operations. By focusing on technological development, we consistently improve our products and services, aim for sustainable and high-quality growth, and contribute to advancing broader sustainability objectives.

ESG Governance and Risk Management

We incorporate ESG management responsibilities into the highest level of our corporate governance and have established a top-down three-tier governance structure comprising the Board of Directors, the Board's Strategy and ESG Committee, and the ESG Executive Group. We consider ESG risk management an important part of our overall risk management, and identify and rate ESG risks by using a risk list. We identified the following material issues and ESG risk factors, and established the corresponding risk mitigation measures:

Categories	Material Issues	ESG Risk Factors	Risk Mitigation Measures
Environment . . .	Climate change and carbon emissions management	Extreme weather events or long-term natural environmental changes impacting corporate operations High carbon emissions from production and operation activities negatively impacting the environment	Continuously conducting corporate greenhouse gas emission verification, improving carbon management performance, enhancing the carbon management system, and strengthening carbon emission information disclosure

Categories	Material Issues	ESG Risk Factors	Risk Mitigation Measures
	Energy management	Failure in energy management leading to increased energy consumption pressure	Carrying out multiple energy efficiency improvement projects, and implementing the optimization and upgrade of energy-saving equipment and energy-saving technological transformation
	Waste management	Improper handling of waste generated during production, which could negatively impact the environment	Establishing a comprehensive waste classification, recycling, and treatment system to reduce waste emissions and pollution
	Resource utilization and circular economy	Low resource utilization efficiency and excessively high technology upgrade costs leading to increased operating costs	Improving water resource and material usage management requirements, achieving resource utilization of solid and liquid wastes
Society	Product quality	Quality management projects for products, materials, manufacturing, packaging and other aspects failing to meet standards	Optimizing process flows, strengthening quality control, introducing advanced technologies, and enhancing training for quality-related personnel
	Product safety	Trust crisis triggered by product safety incidents and a perceived lack of social responsibility	Regulating product safety management and clearly designating responsible persons for product safety
Governance	Corporate governance	Inadequate internal compliance management processes, which may lead to inaccurate or non-compliant information disclosure, resulting in regulatory penalties and lawsuits	Comprehensively promoting legal and compliant corporate governance, ensuring the standardized and efficient operation of our Shareholders' meeting and Board of Directors, enhancing the transparency of information disclosure, and protecting investors' rights and interests

Emissions Management

We strictly adhere to the environmental regulations and emission standards of each operating location, conduct qualitative and quantitative analysis of pollutants in the raw and auxiliary materials involved in the entire production process. Based on this, we have introduced advanced treatment facilities for wastewater, exhaust gas, and solid waste to ensure effective control before discharge. During the operation phase, we continuously promote waste reduction at the source through process optimization and cleaner production. We also regularly entrust CMA-certified third-party organizations to monitor emission data, verify the continuous stability of our treatment facilities and effectively reduce the negative environmental impact of our production and operation activities.

We systematically advance resource recycling efforts. By continuously increasing the recovery, reuse, and resource-based production of etching waste liquid, in 2025 and the four months ended April 30, 2026, we used recovered etching waste liquid to produce 43,300 and 13,971 tons, respectively, of products such as copper sulfate and ammonium chloride, effectively improving resource utilization efficiency.

For hazardous waste, we strictly comply with relevant regulations for classification, storage, and treatment, and entrust specialized treatment companies or facilities for safe disposal to prevent harm to the environment and human health. For general industrial solid waste, we implement classification, storage, and treatment, and encourage waste reduction, resource utilization, and recycling to minimize negative environmental impact. Concurrently, we make every effort to promote zero waste to landfill initiatives in accordance with the UL 2799 standards. As of April 30, 2026, Longchuan Kinwong obtained the UL 2799 Gold Level Validation for zero waste to landfill, while the Company, Zhuhai Kinwong and Zhuhai Kinwong Flexible obtained the UL 2799 Platinum Level Validation for zero waste to landfill.

During the Track Record Period, our pollutant emissions were as follows:

	For the Year Ended December 31,			For the Four Months Ended April 30,
	2023	2024	2025	2026
Waste				
Total hazardous waste *(tons)*	84,940	86,144	130,221	52,128
Total non-hazardous waste *(tons)*	22,930	17,957	29,166	9,212
Exhaust gas				
Total exhaust gas emissions *(10,000 cubic meters)*	3,391,268	3,916,606	4,846,817	1,766,364
Wastewater				
Total wastewater discharge *(10,000 cubic meters)*	374	459	702	241

Resource Utilization

The energy we primarily consume includes diesel, natural gas, purchased electricity, and clean energy. With energy efficiency improvement as our core strategy, we promote energy management system certification across the Group. Zhuhai Kinwong Flexible and Jiangxi Kinwong obtained the energy management system certification in 2025. We actively adopt various energy-saving technological transformation measures to reduce fossil fuel consumption and greenhouse gas emissions. Our production bases implement multiple energy-saving improvement projects, actively promote the optimization and upgrade of energy-saving equipment and energy-saving technological renovation projects to enhance energy utilization efficiency. Meanwhile, we continuously advance clean energy substitution through photovoltaic construction, energy storage development, and green electricity and green electricity certificate procurement, gradually reducing our reliance on traditional energy sources.

We strictly adhere to the requirements of the Water Law of the PRC (《中華人民共和國水法》), the National Water Saving Action Plan (《國家節水行動方案》), and local laws and regulations. We have established a comprehensive system of water-saving management, statistical, and reward and punishment policies to promote the development of water-saving enterprises in an overall manner. We enhance water resource utilization efficiency through various management initiatives, including conducting water consumption surveys, inspecting water supply and drainage networks, maintaining and upgrading water-using fixtures, performing water balance tests, improving water-saving management systems, enriching water-saving publicity, and strengthening daily inspections.

In terms of forest resource protection, we successfully obtained certification from the Forest Stewardship Council (森林管理委員會) in 2025.

During the Track Record Period, our resource utilization was as follows:

	For the Year Ended December 31,			For the Four Months Ended April 30,
	2023	2024	2025	2026
Energy				
Total energy consumption *(tons of standard coal equivalent)*	90,516	108,307	111,662	46,635
Water resources				
Total water consumption *(cubic meters)*	9,600,141	12,137,719	15,813,482	5,204,041

Addressing Climate Change

We integrate climate change into our strategy and decision-making, and enhance corporate carbon emissions and climate change risk management through data testing and information disclosure. We have formulated strategic goals for achieving carbon peaking and carbon neutrality, submitted near-term target commitments to the SBTi (科學碳目標倡議組織), actively participated in Carbon Disclosure Project (碳信息披露項目), and identified and addressed challenges and opportunities presented by climate change to reduce greenhouse gas emissions, and strengthen our climate resilience.

In 2025, to continuously enhance our internal greenhouse gas management capabilities and advance the work deployment for carbon peaking and carbon neutrality in the supply chain, we launched a special carbon peaking and carbon neutrality system and supply chain empowerment training program, which was conducted strictly in accordance with the ISO 14064/ISO 14067/ISO 14068 standards.

To effectively address the risks associated with climate change, we identify potential risks from strategic planning, operations, R&D, finance, marketing, legal, and credit perspectives. In response to these risks, we are committed to preventing adverse impacts, improving carbon management performance, and continuously enhancing our carbon management system to address the challenges posed by climate change. The relevant specific risk types, risk descriptions and impact and mitigation strategies are set out below:

Risk Types			Risk Descriptions and Impact	Mitigation Strategies
Physical risks . .	Chronic risks	Sea level rise	Operating entities in coastal areas may need to be relocated inland, leading to increased production costs due to damaged or prematurely scrapped fixed assets.	When selecting expansion sites, avoiding low-lying areas to the extent possible
		High temperatures	More cooling equipment needs to be set up due to rising temperatures, which may increase operating costs.	Tackling the increased cooling energy consumption and operational costs by improving the energy efficiency of air conditioning systems
	Acute risks	Extreme weather	Extreme weather events lead to damage to factories, office buildings, and equipment, causing operational disruptions and asset losses.	Identifying potential asset damage and purchasing necessary insurance

Risk Types			Risk Descriptions and Impact	Mitigation Strategies
Transition risks . .	Policy and legal risks	Stricter carbon emission management policies and regulations	The government may introduce stricter policies and regulations to mitigate climate change, increasing corporate operational compliance efforts.	Monitoring the dynamics of carbon emission policies and regulations in operating locations
				Actively carrying out energy-saving and emission-reduction efforts and increasing the proportion of clean energy
	Technological risks	Transition to low-carbon emission technologies	Failure of investment in low-carbon technology R&D, and failure to identify and apply low-carbon technologies in a timely manner, leading to product low-carbon transition lagging behind peers.	Enhancing the Company's R&D capabilities through measures such as talent cultivation and retention

We formulate the following clear climate goals by tracking and analyzing national policies for carbon peaking and carbon neutrality, referring to the near-term greenhouse gas emission reduction targets validated by SBTi, and integrating internal and external carbon audit results:

- *Near-term Science-based Targets*. Using 2024 as the base year, we target to reduce absolute Scope 1 and Scope 2 emissions by 58.8% by 2034, and reduce Scope 3 emissions related to sold PCB per sq.m. by 63.8%, which arise from purchased goods and services, upstream transportation and distribution, and business travel and employee commuting; and

- *Strategic Goal for Carbon Neutrality*. We target to achieve carbon neutrality (Scope 1 and Scope 2) in our operations by 2050.

We use internationally recognized standards such as the GHG Protocol, ISO 14064, and ISO 14067 for greenhouse gas emission measurement, and have independently developed the Kinwong Carbon Footprint Digital Accounting Tool (景旺碳足跡數字化核算工具), which has been certified by international authoritative bodies. During the Track Record Period, our greenhouse gas emissions were as follows:

	For the Year Ended December 31,			For the Four Months Ended April 30,
	2023[(1)]	2024[(1)]	2025[(1)]	2026[(1)]
Greenhouse Gas Emissions				
– Greenhouse gas emissions (Scope 1) *(tons of carbon dioxide equivalent)*	18,782	20,850	27,157	10,226
– Greenhouse gas emissions (Scope 2) *(tons of carbon dioxide equivalent)*	399,141	401,222	367,351	170,858
– Greenhouse gas emissions (Scope 3) *(tons of carbon dioxide equivalent)*	368,370	959,994	1,004,966	368,639
Total greenhouse gas emissions (Scope 1, Scope 2 and Scope 3) ***(tons of carbon dioxide equivalent)***	**786,293**	**1,382,067**	**1,399,474**	**549,724**

Note:

(1) The data for the Track Record Period have been verified by external third parties.

We are actively exploring multi-channel emission reduction efforts and promoting the use of clean energy. We have successively launched photovoltaic, energy-storage, and consumption integrated projects, as well as photovoltaic power generation projects, and will gradually promote distributed photovoltaic projects. Furthermore, in accordance with our strategic development plan and considering actual electricity consumption and customers' carbon reduction demands, we have centrally purchased domestic green electricity certificates and increased the proportion of green electricity used from 17.5% in 2024 to 40.9% in 2025 with a goal of 50.0% in 2026. In the fourth months ended April 30, 2026, the proportion of green electricity used had reached approximately 20.0%.

Compliant Employment

We strictly adhere to labor laws and regulations such as the Labor Law of the PRC (《中華人民共和國勞動法》) and the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》). We have established and improved our employment management system to ensure compliant management in terms of employee rights and interests, benefits, protection, and career development. Regarding equal employment, we strictly prohibit child labor and forced labor, and provide equal development opportunities for all employees. We prohibit discrimination against vulnerable groups and ensure equal employment for such groups and people with disabilities. We strictly comply with relevant laws and regulations throughout the conclusion, performance, and termination of all labor contracts, and implement standardized employment practices.

As of April 30, 2026, the distributions of our employees by gender, age and geographical region were as follows:

	Number	Percentage
Total number of employees	**22,278**	**100%**
By gender		
– Male	13,297	59.7%
– Female	8,981	40.3%
By age		
– Below 30	6,680	30.0%
– 30 to 39	8,486	38.1%
– 40 to 49	6,422	28.8%
– 50 to 59	670	3.0%
- 60 and above	20	0.1%
By region		
– Chinese mainland	22,099	99.2%
– Hong Kong, Macau, and Taiwan Region	24	0.1%
– Other countries and regions	155	0.7%

Employee Training and Development

By following the principle that everyone is responsible, we build employee skills and motivation using a thorough training program, objective performance assessments, and well-defined career paths. Concurrently, we actively promote industry-academia-research collaboration to ensure that sustainable development is driven by performance management and professional skill enhancement.

Employee Benefits

In terms of employee benefits, in addition to safeguarding basic entitlements such as statutory holidays, social insurance, and housing provident funds, we also provide commercial insurance, health check-ups, commuter shuttles, employee dormitories, and electricity subsidies. Additionally, to support female employees during pregnancy and lactation periods, we offer benefits such as maternity leave, paid parental leave, termination-of-pregnancy leave, as well as nursing breaks and rest periods during work hours.

Occupational Health and Workplace Safety

We have established a series of rules and regulations, including the Safety Manual (《安全手冊》) and Occupational Health and Safety Management Manual (《職業健康安全管理手冊》), and have built a safety management system with the Company's president and president's office as the core decision-making body. As of April 30, 2026, we obtained the ISO 45001:2018 occupational health and safety management systems certification.

We consistently adhere to the principles of safety first, prevention-oriented, comprehensive governance, and harmonious development in promoting occupational health protection. In accordance with national regulations and our practical conditions, we have established systems covering safety production management, safe operating procedures, status evaluation, and special inspections. To ensure continuous effectiveness, we regularly conduct publicity campaigns for occupational disease prevention and control, and organize multiple environmental emergency drills to enhance the emergency response capabilities of all employees, verify the scientific validity and feasibility of emergency plans, and ensure a safe and orderly production environment. We ensure 100% coverage of occupational health examinations for employees exposed to occupational hazards and 100% coverage of employee safety education, achieving zero work-related fatality in 2025. During the Track Record Period, there were two fatal accidents: (i) one in October 2024, caused by a malfunction of a lifting platform during the installation of lighting sensor lamps on a factory roof and the employee's failure to follow prescribed operational procedures applying to such circumstances; and (ii) one in January 2026, caused by the employee's failure to follow prescribed operational procedures. In both cases, although we were not ultimately responsible for such incidents from the legal perspective, which resulted from the failure to follow prescribed operational procedures, we promptly provided reasonable compensation to the families of the deceased and handled the matters with appropriate humanitarian care. Both incidents were isolated events attributable to specific equipment malfunction and individual non-compliance with safety protocols, and were unrelated to any systemic safety deficiency in our operations, which would not have any material adverse impact on our business operations and financial position. As of the Latest Practicable Date, these incidents had been fully resolved and there had been no pending legal proceedings, enforcement actions or investigations related to these incidents. We maintain comprehensive workplace safety management systems in compliance with all applicable PRC laws and regulations, and have never been subject to any administrative penalty or litigation in connection with workplace safety. We have also further enhanced our work safety management to prevent recurrence of similar accidents, including (i) procuring replacement lifting platforms equipped with enhanced safety mechanisms; (ii) refining requirements for inspections and maintenance of various equipment, facilities and tools to ensure their safety; (iii) strengthening oversight of special operations involving danger to ensure all relevant personnel hold the required certifications and are competent for such operations; (iv) enhancing training and performance review for on-site safety monitors; and (v) conducting regular emergency response drills for special operations to improve the emergency response capabilities of both operators and monitors.

Sustainable Supply Chain

We have built a full-lifecycle supplier management system and promote continuous improvement in ESG among our suppliers. We simultaneously implement sustainable procurement policies, strictly control conflict mineral risks, and strengthen supplier integrity building to ensure supply chain compliance and transparency. We have formulated policies such as the Procurement Management Procedures (《採購管理程序》) and Supplier Quality Management Procedures (《供應商品質管理程序》), covering supplier qualification management, quality management, information security management, performance evaluation, and exit, to ensure suppliers meet our standards in all aspects. Furthermore, we conduct conflict mineral investigations annually and require suppliers to sign a Statement on Not Using Minerals from Areas of Conflict (《不使用衝突地區礦物質聲明書》). After supplier qualification is approved, we sign agreements related to environmental and social responsibility, such as the Supplier Social Responsibility, Environmental, Health and Safety Commitment Letter (《供應商社會責任、環境健康安全承諾書》), Quality Assurance Agreement (《品質保證協議》), Integrity Agreement (《廉政協議》), Confidentiality Agreement (《保密協議》), Environmental Protection Agreement (《環保協議》), and Statement on Not Using Prohibited Substances (《不使用禁止物質聲明書》), to ensure the effective management of our sustainable supply chain.

Community Investment

We actively fulfill our social responsibilities by engaging in diversified practices in philanthropy and charity, covering various aspects such as disaster relief, healthcare, education support, and cultural heritage preservation. In the field of supporting the disadvantaged and people with disabilities, we provided donations to the Federation for People with Disabilities of Longchuan

County (龍川縣殘疾人聯合會), Heyuan City, Guangdong Province, to support the construction of local disability service systems. In the field of rural revitalization, we participated in relevant assistance projects in Bao'an District, Shenzhen, and contributed to the development and construction of areas such as Longchuan County, Chenghai District in Shantou City, and Huanjiang Maonan Autonomous County in Guangxi. In terms of education support, we donated stationery to primary school students in Huangtao Village, Xishui County, Guizhou Province, helping to improve local educational conditions. Furthermore, we promote employee involvement in public welfare initiatives by arranging participation in activities such as volunteer tree planting, blood donation, and similar endeavors.

Business Ethics and Anti-corruption

We strictly adhere to domestic and international anti-monopoly, anti-unfair competition, and relevant business conduct regulations. We have established a comprehensive business ethics and compliance governance system and formulated internal policies such as the Kinwong Employee Code of Business Conduct, Anti-Fraud Management Measures, and Anti-Corruption and Anti-Bribery Control Procedures to regulate employee behavior and business activities. We are committed to upholding the principles of fair competition in all our operations, and eliminating monopolistic and unfair competitive practices. As of April 30, 2026, we had obtained the ISO 37001 anti-bribery management systems certification.

We have formulated the Regulations on Audit and Supervision Reporting and Clues Management (《審計監察類舉報及線索管理規定》) and the Reporting and Complaint Management Measures (《舉報及投訴管理辦法》) to encourage employees to report various illegal, non-compliant, or improper behavior through multiple channels, and strictly protect the confidentiality of whistleblower information. We also require our suppliers to jointly adhere to integrity commitments, uphold principles of honesty and fairness in cooperation. We regularly send letters to our business partners emphasizing the requirements for transparent and fair transactions and advocating anti-fraud and anti-corruption.

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any significant litigation cases concerning corruption or unfair competition.

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

We may from time to time become a party to various legal or administrative proceedings arising in the ordinary course of our business. Litigation or any other legal or administrative proceeding, regardless of the outcome, is likely to result in substantial cost and diversion of our resources, including our management's time and attention. See "Risk Factors — Risks Related to Our Business and Our Industry — Legal proceedings and claims could have a material adverse effect on our business, results of operations, or financial condition" in this prospectus.

During the Track Record Period and up to the Latest Practicable Date, there had been no legal proceedings pending or threatened against us or our Directors that could, individually or in the aggregate, have a material adverse effect on business, financial condition and results of operations.

Compliance

During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in (i) any material non-compliance incidents that have led to fines, enforcement actions or other penalties that could, individually or in the aggregate, have a material adverse effect on business, financial condition and results of operations; or (ii) any systemic non-compliance incidents whose recurring nature may reflect negatively on us or our Directors' or senior management's ability or tendency to operate the Group in a compliant manner.

Non-compliance Matters

Social Insurance and Housing Fund Contributions

As required by the PRC laws and regulations, we participate in various employee social security plans and housing provident funds for our employees that are administered by local governments. The social security plans include pension insurance, work-related injury insurance, basic medical insurance, maternity insurance and unemployment insurance.

Background and reasons for non-compliance

During the Track Record Period, we and certain of our PRC subsidiaries did not make adequate contribution to social insurance and housing provident funds for employees as required by relevant PRC laws and regulations, primarily because the employees and employer are both obligated to make their own contributions to social insurance and housing provident funds under applicable laws and regulations, while 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.

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 surcharge 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. We will promptly make the outstanding payment within the prescribed time limit once required by the relevant authorities, and hence do not expect any fines on this matter. Additionally, 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 for compulsory enforcement.

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 material 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 State Council and the STA have strictly prohibited any self-initiated centralized collection of historical shortfalls for social insurance and housing provident fund contributions and 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)》) (the "**Interpretation**"), which took effect on September 1, 2025, only stipulates that an agreement between an employer and an employee whereby the employer is not required to make social insurance contributions shall be invalid, our PRC Legal Advisor is of the view that, in the absence of collective employee complaints, litigations or arbitrations and 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 risk of us being penalized or required to make up payments by the relevant competent authorities with respect to the 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 with respect to centralized and comprehensive collection of shortfalls regarding 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.

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; and (ii) 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 about centralized and comprehensive collection of shortfalls or overdue charges for social insurance or housing provident funds during the Track Record Period and up to the Latest Practicable Date, 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) 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, and accordingly, the Interpretation would not increase the potential legal liability that we may face in any relevant litigation or arbitration.

Internal control and remedial measures

We plan to implement enhanced internal control measures as follows:

- *Human resources management policies*. We will enhance our human resources management policies to explicitly require that social insurance and housing provident fund contributions are made in full compliance with applicable local laws and regulations;
- *Employee training and awareness*. We will institute comprehensive training programs for our employees, with a specific focus on compliance-related matters, including social insurance and housing provident fund contributions;
- *Monitoring and supervision*. Our human resources team will oversee our ongoing compliance with social insurance and housing provident fund contribution requirements;
- *Legal and regulatory consultation*. We will regularly consult with legal counsel to obtain guidance on the latest developments in applicable laws and regulations concerning social insurance and housing provident fund contributions. Additionally, we will regularly communicate with local regulatory authorities to ensure we are aware of any changes to relevant rules or guidelines and to ensure that our practices remain in full compliance; and
- *Employee communication and engagement*. We will actively communicate and engage with our employees to ensure they understand the importance of full participation in social insurance and housing provident fund contributions.

Latest status

In light of the foregoing analyses and enhanced internal controls, we do not expect the non-compliance with respect to contributions to the social insurance and housing provident funds to have any material adverse impact on our business operation and financial performance, and thus have not made provisions for the shortfalls of contributions to the social insurance and housing provident funds during the Track Record Period.

We undertake to make full contributions and/or make rectification measures promptly within the specified period, if relevant authorities order us to fully contribute to the social insurance and/or housing provident funds going forward.

Failure to Obtain Valid Title Certificates

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 one property we leased in China.

Our PRC Legal Advisor is of the view that we would not be subject to any administrative penalties arising from the lessor's lack of valid title certificates considering that we are the lessee, and no applicable laws, rules or regulations stipulate that any penalty shall be imposed on the lessee with respect to the lessor's lack of valid title certificates. Nevertheless, as advised by our PRC Legal Advisor, if the lessor does not have the requisite rights to lease the relevant property, our lease may be affected, and, as a result, we may be required to vacate the relevant property and relocate. In the event that we are unable to continue using the leased property, in accordance with the applicable provisions of the PRC Civil Code and as advised by our PRC Legal Advisor, we have the right to terminate the lease agreement and request relevant damages.

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) as of the Latest Practicable Date, we were not aware of any challenge made by a third party or competent government authority on the title of the relevant leased property that might affect our current occupation, (ii) 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 lessor's right to lease, (iii) we have identified a suitable alternative property, and expect to relocate in the near future without incurring substantial additional costs nor imposing any material adverse effect on our business, financial condition and results of operations, and (iv) 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) requesting the lessors 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.

Failure to File Lease Agreements

Pursuant to the PRC laws and regulations, property lease agreements are required to be filed with the relevant real estate administration authorities in the PRC. As of the Latest Practicable Date, six of our lease agreements had not been filed with the relevant authorities. As the filing of a lease agreement requires cooperation between lessors and lessees, and lessors were typically unwilling to undertake the administrative burden, we were not able to complete the filing of lease agreements without lessors' cooperation.

As advised by our PRC Legal Advisor, our Directors are of the view that the aforementioned failure to file lease agreements will not have a material impact on our business operations and financial performance, given that (i) according to our PRC Legal Advisor, a maximum penalty of RMB10,000 may be imposed for the non-filing of each lease agreement, and accordingly the aggregate amount of maximum fine will be RMB60,000, an amount which is *de minimis* compared with our net current assets as of April 30, 2026; (ii) the failure to file the lease agreements does not affect the validity of these agreements; (iii) as of the Latest Practicable Date, we had not received any rectification notice or penalty from the relevant authorities due to such defects, and there were no ownership disputes affecting our continued use of the leased properties; and (iv) among the six unfiled lease agreements, two of them will be terminated in 2026 and our factories located in the relevant properties will be relocated, and the lessors with respect to the remaining four unfiled lease agreements have provided us with written confirmation that the failure to file the lease agreements does not affect the validity of these agreements.

In the future we will implement enhanced internal control policies, including enhanced internal monitoring of the lease agreement filing status and external coordination with lessors, to facilitate the filing of all our lease agreements pursuant to applicable laws and regulations.

In light of the above and based on the independent due diligence conducted by the Joint Sponsors, nothing has come to the attention of the Joint Sponsors which would reasonably cause them to disagree with the Directors' views above on the adequacy and effectiveness of the foregoing enhanced internal control measures with respect to (i) the compliance with applicable laws and regulations regarding social insurance and housing provident funds, (ii) obtaining valid title certificates regarding leased properties, and (iii) filing lease agreements.

TRANSFER PRICING ARRANGEMENTS

Our Company and our subsidiaries conduct intra-group transactions in accordance with our transfer pricing policy. During the Track Record Period, we mainly had the following intra-group transactions:

- Our Company and production entities sold finished goods to other entities within the Group and received relevant payments;

- Our Company provided value-added services and marketing services to other entities within the Group and received relevant payments;

- Manufacturing entities provided outsourced manufacturing services to other manufacturing entities within the Group and received relevant payments; and

- Entities within the Group provided financing, guarantee, leasing and secondment services to other entities within the Group and received relevant payments.

Transfer pricing arrangements for such intra-group transactions should be on an arm's length basis according to the transfer pricing guidelines for multinational enterprises and tax administrations (the "**OECD Transfer Pricing Guidelines**") promulgated by the Organization for Economic Cooperation and Development (the "**OECD**"), an international organization of international cooperation. In this regard, we have engaged a professional tax consultancy firm in the PRC (the "**Transfer Pricing Adviser**") to review, analyze, and evaluate potential risks in accordance with the OECD Transfer Pricing Guideline and applicable laws and regulations. After assessing our transfer pricing arrangements during the Track Record Period, and as advised by our Transfer Pricing Adviser, these transfer pricing arrangements were, in all material respects, broadly consistent with the arm's length principle under both the OECD Transfer Pricing Guidelines and the relevant local transfer pricing laws and regulations in the applicable jurisdictions, and thus no quantified exposure to transfer pricing adjustment or additional taxes had been identified.

During the Track Record Period and up to the Latest Practicable Date, we had not been made aware of any inquiries, audits, investigations, or challenges by the relevant tax authorities in the jurisdictions in which we operated with respect to our intra-group transactions.

RISK MANAGEMENT AND INTERNAL CONTROL

It is the responsibility of our Board to ensure that we maintain sound and effective internal controls and risk management system to safeguard our Shareholders' investment and our assets. We maintain internal manuals which set out operating procedures, internal control procedures and other policies and guidelines. We have adopted and implemented comprehensive risk management policies in various aspects of our business operations, including daily operation, human resources, financial reporting, and credit risk management.

Our Board of Directors are responsible for the establishment, updating and implementation of our internal control policies and systems, while our management team monitors the daily implementation of the internal control procedures and measures with respect to our functional teams. Our Directors are of the view that our current internal control measures are adequate and effective to ensure compliance with relevant laws and regulations.

Operational Risk Management

Operational risk refers to the risk of direct or indirect financial loss resulting from incomplete or problematic internal processes, personnel mistakes, IT system failures or external events. We have established a series of internal procedures to manage such risks. We take a comprehensive approach about operational risk management, and we have implemented a mechanism with detailed and decentralized responsibilities and clear rewards and punishment systems. Our information technology, human resources, finance and operations departments are collectively responsible for ensuring the compliance of our operations with internal procedures. In the event of a major adverse event with legal implications, the matter will be escalated to our legal department to take appropriate measures. Through effective operational risk management, we expect to control operational risks within a reasonable range by identifying, measuring, monitoring and containing operational risks to reduce potential losses.

Human Resources Risk Management

We provide regular and specialized trainings tailored to the needs of our employees in different departments. These trainings enable our staff to improve their skills and better address our customers' needs. We have established a unified training management system, which divides employee trainings into categories such as new employee development, on-the-job training, job rotation training, promotion training, and other targeted trainings (such as information technology training) to satisfy employees' diverse needs. We have in place an employee handbook approved by our management and distributed to all our employees, which contains internal rules and guidelines regarding corporate culture, learning and development, employee performance review, compensation and benefits, occupational safety and staff business conduct.

Financial Reporting and Risk Management

We have in place a set of accounting policies in connection with our financial reporting risk management, such as financial report management policies, treasury management policies, and reimbursement management policies. We have various procedures in place to implement accounting policies, and our financial department reviews our management accounts based on such procedures.

Our financial department closely monitors our key financial metrics, particularly our revenue, gross profit, cost of sales, operational expenses and cash flows.

Credit Risk Management

We seek to maintain strict control over our outstanding receivables and have implemented a policy to minimize credit risk. We maintain regular communication with our customers, address potential payment issues proactively, and conduct detailed risk assessments. Our finance and sales departments conduct regular reviews of overdue accounts and recoverability of our outstanding balances, prioritizing high-value or long-overdue balances, and when appropriate, provides for impairment of these trade receivables. For significantly overdue accounts with no resolution, we may escalate to legal proceedings. Moreover, we have procured credit insurance to address our credit risk, which is intended to provide coverage where credit risk materializes.

Audit Committee Experience and Qualification and Board Oversight

To monitor the ongoing implementation of our risk management policies, we have established an Audit Committee to review and supervise our financial reporting process and internal control system on an ongoing basis to ensure that our internal control system is effective in identifying, managing and mitigating risks involved in our business operations. See "Directors and Senior Management — Management and Corporate Governance." In addition to our internal control department, we have also established an internal audit department which is responsible for reviewing the effectiveness of internal controls and reporting issues identified and improving our internal control system and procedures by identifying internal control failures and weaknesses on an ongoing basis. The internal audit department reports any major issues identified to the Audit Committee and Board of Directors on a timely basis.

OVERVIEW

As of the Latest Practicable Date, Jinghong Yongtai is a direct beneficial owner of 280,075,322 Shares of our Company. Jinghong Yongtai is 50% owned by Ms. Huang Xiaofen and 50% owned by Yizhao Investment, which is 51% owned by Ms. Huang Xiaofen and 49% owned by Mr. Liu Yu.

As of the Latest Practicable Date, Wise Able Investment is a direct beneficial owner of 279,874,108 Shares of our Company. Wise Able Investment is 100% owned by Ms. Cheuk Kwan.

As of the Latest Practicable Date, Mr. Liu Shaobai is a direct beneficial owner of 478,805 Shares of our Company. Ms. Huang Xiaofen is a direct beneficial owner of 417,940 Shares of our Company. Ms. Huang Xiaofen is the wife of Mr. Liu Shaobai, and Mr. Liu Yu is the son of Mr. Liu Shaobai and Ms. Huang Xiaofen.

Mr. Liu Shaobai is the founder, chairman of the Board and a non-executive Director of our Company. Ms. Huang Xiaofen and Ms. Cheuk Kwan are non-executive Directors of our Company. Mr. Liu Yu is an executive Director and chief executive officer of our Company. See "Directors and Senior Management" for more details. See "History and Corporate Structure" for the simplified corporate structure of our Group.

On January 6, 2020, Jinghong Yongtai, Wise Able Investment, Mr. Liu Shaobai, Ms. Huang Xiaofen and Ms. Cheuk Kwan entered into an acting in concert agreement ("**Acting-in-concert Agreement**") pursuant to which, Mr. Liu Shaobai, Ms. Huang Xiaofen and Ms. Cheuk Kwan and their respectively controlled entities Jinghong Yongtai and Wise Able Investment shall act in concert to exercise their shareholder rights. On August 14, 2023, Mr. Liu Yu undertook to join the Acting-in-concert Agreement. Accordingly, Jinghong Yongtai, Wise Able Investment, Yizhao Investment (an entity in which Ms. Huang Xiaofen is the managing partner), Mr. Liu Shaobai, Ms. Huang Xiaofen, Ms. Cheuk Kwan and Mr. Liu Yu are the parties acting in concert. Therefore, Jinghong Yongtai, Wise Able Investment, Yizhao Investment, Mr. Liu Shaobai, Ms. Huang Xiaofen, Ms. Cheuk Kwan and Mr. Liu Yu were in aggregate entitled to exercise the voting rights attached to 560,846,175 Shares and approximately 56.01% of our Shares in issue and constituted our Controlling Shareholders Group as of the Latest Practicable Date. Our Controlling Shareholders Group will be collectively entitled to exercise the voting rights attached to approximately 52.21% of our 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 Date).

Immediately following the completion of the Global Offering, Jinghong Yongtai, Wise Able Investment, Yizhao Investment, Mr. Liu Shaobai, Ms. Huang Xiaofen, Ms. Cheuk Kwan and Mr. Liu Yu will be entitled to exercise in aggregate the voting rights attached to approximately 52.21% of our Shares in issue. Accordingly, Jinghong Yongtai, Wise Able Investment, Yizhao Investment, Mr. Liu Shaobai, Ms. Huang Xiaofen, Ms. Cheuk Kwan and Mr. Liu Yu will remain as the Controlling Shareholders Group of our Company upon Listing.

RULE 8.10 OF THE LISTING RULES

As of the Latest Practicable Date, none of members of our Controlling Shareholders Group had any interest in any business which competes, or is likely to compete, either directly or indirectly, with our business and would require disclosure under Rule 8.10 of the Listing Rules.

NON-COMPETE UNDERTAKINGS

Each of Jinghong Yongtai, Wise Able Investment, Mr. Liu Shaobai, Ms. Huang Xiaofen and Ms. Cheuk Kwan has executed a non-compete undertaking in September 2014, pursuant to which each of them has undertaken, amongst others that:

(i) he/she/it shall not directly or indirectly engage in or participate in the investment of any business which competes or may potentially compete with the businesses of our Company or its subsidiaries;

(ii) if, for any reason, any of Jinghong Yongtai, Wise Able Investment, Mr. Liu Shaobai, Ms. Huang Xiaofen and Ms. Cheuk Kwan, or any entities directly or indirectly controlled by each of them (other than our Group) (the "**Restricted Entities**") engages in a business which competes or may potentially compete with the business of our Company or its subsidiaries, then Jinghong Yongtai, Wise Able Investment, Mr. Liu Shaobai, Ms. Huang Xiaofen, Ms. Cheuk Kwan or the Restricted Entities shall:

   (a) cease such competing business;

(b) integrate such competing business into our Company; or

(c) transfer such business to an unrelated third party;

(iii) he/she/it shall be liable for the corresponding economic loss suffered by our Company and the interest of its shareholders as a result of a breach of the above undertakings.

INDEPENDENCE OF OUR GROUP FROM OUR CONTROLLING SHAREHOLDERS GROUP

Our Directors are of the view that our Group is capable of carrying on its business independently from our Controlling Shareholders Group following the completion of the Global Offering for the following reasons.

Management Independence

Our daily management and operational decisions are made collectively by our executive Directors and our senior management, with our Board having an overall supervision of our management. Our Board comprises two executive Directors, four non-executive Directors and three independent non-executive Directors, and we have a team of six senior management members (two of whom are our executive Directors). All of our Directors, including the independent non-executive Directors, have the requisite qualifications, integrity and experience to maintain an effective Board. We also have sufficient members of our management team who are independent from our Controlling Shareholders Group and have the adequate relevant experience to ensure the normal operation of the day-to-day business and management of our Group. We consider that our Directors and senior management of our Company can independently perform their duties in our Company and operate independently from our Controlling Shareholders Group for the following reasons:

(i) save for Mr. Liu Shaobai, Ms. Huang Xiaofen, Ms. Cheuk Kwan and Mr. Liu Yu, all of our other Directors and members of our senior management team are independent from our Controlling Shareholders Group, and are capable of contributing sufficient time and efforts to manage the daily operations of our Group. In addition, the management personnel of our Company have clear reporting lines, and ultimately the management team reports to our Board. Our Board supervises and monitors the performance of our Company's management team generally through regular meetings of our Board and extraordinary meetings of our Board to consider, deliberate and approve material matters which exceed the delegated authorities of management team, as well as the regular updates of operational and financial data and information that are provided to our Directors. See "Directors and Senior Management — Directors" for biographical details of our Directors and senior management;

(ii) each of our Directors is aware of his/her fiduciary duties as a director of our Company which requires, among other things, that he/she acts for the benefit and in the best interests of our Company and does not allow any conflict between his/her duties as a Director and his/her personal interest;

(iii) the Articles of Association has made relevant provisions to avoid conflict of interest, in that our Directors are prohibited from voting in any Board resolution approving any contract or arrangement or any other proposal in which he/she or any of his/her close associates has a material interest. Each of Mr. Liu Shaobai, Ms. Huang Xiaofen, Ms. Cheuk Kwan and Mr. Liu Yu has abstained and will abstain from voting in Board meetings in respect of matters in relation to himself/herself and/or his/her associates;

(iv) our Board has a balanced composition of executive Directors and independent non-executive Directors which ensures the independence of our Board in making decisions affecting our Group and to promote the interest of the Company and its Shareholders as a whole. Specifically, (a) our independent non-executive Directors are not associated with members of our Controlling Shareholders Group or their respective associates; (b) we have three independent non-executive Directors, which account for one-third of the Board; and (c) our independent non-executive Directors individually and collectively possess the requisite experience, knowledge and competence as independent directors of listed companies and will be able to provide professional and balanced advice to the Board. Accordingly, our Directors believe that our independent non-executive Directors are able to bring impartial and sound judgment to the decision-making process of our Board and protect the interests of our Company and the Shareholders as a whole. See "Directors and Senior Management — Directors" for biographical details of our independent non-executive Directors; and

(v) we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and our Controlling Shareholders Group which would support our independent management. See "— Corporate Governance Measures" for further details.

In light of the above, we believe that our Group can be managed independently from members of our Controlling Shareholders Group and their respective close associates.

Operational Independence

Our Company has been operating and will continue to operate after Listing, independently from our Controlling Shareholders Group. Our Group makes and implements operational decisions independently of our Controlling Shareholders Group and has our own organizational structure with independent departments, including our own business units, R&D department, sales and marketing department and other administrative functions (such as administration, finance, human resources, legal and compliance and company secretarial functions), each with specific areas of responsibility. Furthermore, we have independent production capabilities and technology relating to our Group's business and do not rely on our Controlling Shareholders Group. Our Company also maintains a set of comprehensive internal control measures to facilitate the effective operation of our business. Our Company also has independent channels to access our customers, suppliers and business partners, and is not dependent on our Controlling Shareholders Group in these respects. Our Group has our own employees who are primarily recruited through both internal referrals and external sources (such as campus recruitment, recruitment websites and third-party recruiters) to operate the business and can independently manage its human resources. We have obtained relevant licences, approvals and permits from relevant regulatory authorities which are material to our operations in the PRC. Based on the above, our Directors believe that our business is operationally independent of our Controlling Shareholders Group and will continue to do so after the Listing.

Financial Independence

We have adopted our own independent audit, financial management and internal control systems and also have an independent accounting and finance department responsible for discharging relevant accounting, financial management and treasury functions, which are all independent from members of our Controlling Shareholders Group and their respective close associates. We make financial decisions and determine our use of funds according to our own business needs. We have adequate internal resources and a strong credit profile to support our daily operation. Moreover, our Board has established the Audit Committee to provide independent oversight to, among others, our accounting and financial reporting processes.

We open and manage our bank accounts independently, and have not shared any bank account with our Controlling Shareholders Group. We are also capable of obtaining financing from third parties, if necessary, without reliance on our Controlling Shareholders Group. We do not expect to rely on our Controlling Shareholders Group or any of their close associates for financing after the Listing as we expect that our working capital will be primarily funded by cash generated from our business operation, and external financing.

No loan or guarantee has been provided by, or granted to, our Controlling Shareholders Group or their respective associates during the Track Record Period and as of the Latest Practicable Date.

In light of the above, our Directors are of the view that we are able to maintain financial independence from our Controlling Shareholders Group.

CORPORATE GOVERNANCE MEASURES

Our Directors recognize the importance of sound corporate governance in protection of our Shareholders' interests. Our Company will comply with the provisions of the Corporate Governance Code in Appendix C1 to the Listing Rules, which sets out principles of good corporate governance, upon Listing.

In order to further avoid potential conflicts of interest, we have implemented or will implement the following measures to strengthen the protection of our Shareholders' interests:

(i) as part of our preparation for the Global Offering, we have amended our Articles of Association to comply with the Listing Rules. In particular, our Articles of Association provide that, unless otherwise provided, a Director shall not vote on any resolution approving any contract or arrangement or any other proposal in which such Director or any of his/her close associates has a material interest;

(ii) our Company has established internal control mechanisms to identify connected transactions. Upon Listing, if our Company enters into connected transactions with any member of our Controlling Shareholders Group or their respective associates, our Company will comply with the applicable requirements under the Listing Rules;

(iii) we are committed that our Board shall include a balanced composition of executive Directors, non-executive Directors and independent non-executive Directors. We appointed three independent non-executive Directors as of the Latest Practicable Date, and believe our independent non-executive Directors (a) possess sufficient experience; (b) are free of any business or other relationship which could interfere in any material manner with the exercise of their independent judgement; and (c) will be able to provide impartial and independent opinion to protect the interests of our Shareholders as a whole. In the event that our independent non-executive Directors are requested to consider or review any conflict of interest circumstances involving our Controlling Shareholders Group, the independent non-executive Directors will be provided with all necessary information for consideration and will be allowed to seek advice from independent professionals (such as financial advisors or legal advisors) at the expense of our Company;

(iv) we have appointed Lego Corporate Finance Limited as our Compliance Advisor, which will provide advice and guidance to us in respect of compliance with the applicable laws in Hong Kong and the Listing Rules, including various requirements relating to directors' duties and corporate governance, upon Listing; and

(v) as required by the Listing Rules, if there exists any continuing connected transaction with the Controlling Shareholders Group, our independent non-executive Directors shall review any such continuing connected transaction annually and confirm in our annual report that such transactions have been entered into in our ordinary and usual course of business, are either on normal commercial terms or on terms no less favourable to us than those available to or from Independent Third Parties and on terms that are fair and reasonable and in the interests of our Shareholders as a whole.

Prior to the Listing, our Group has entered into certain transactions with parties who will, upon Listing, become connected persons (as defined in the Listing Rules) of our Company. Upon Listing, such transactions between us and our connected persons will constitute continuing connected transactions of our Company under Chapter 14A of the Listing Rules. Details of the partially-exempt continuing connected transaction of our Company following the Listing are set out below.

OUR CONNECTED PERSON

We have entered into certain transactions in the ordinary and normal course of our business with the following connected person, which will constitute partially-exempt continuing connected transactions upon Listing:

Name of our connected person	Connected Relationship
Luxshare Precision Industry Co., Ltd. (立訊精密工業股份有限公司) ("**Luxshare Precision**"), a company listed on the Shenzhen Stock Exchange (stock code: 002475).	Luxshare Precision holds 49% of the issued shares of Zhuhai Kinwong Flexible, a major subsidiary of the Company. Luxshare Precision is therefore a connected person at the subsidiary level of the Company.

SUMMARY OF OUR PARTIALLY-EXEMPT CONTINUING CONNECTED TRANSACTION

Transaction	Counterparty	Category of continuing connected transaction	Applicable Listing Rule	Waiver sought	Proposed annual cap for the years ending December 31,		
					2026	2027	2028
					(RMB in million)		
Supply of raw materials agreement with Luxshare Precision	Luxshare Precision	Partially-exempt	Rule 14A.35; Rule 14A.101	Announcement	150	200	250

PARTIALLY-EXEMPT CONTINUING CONNECTED TRANSACTION — SUPPLY OF RAW MATERIALS AGREEMENT

Background of the Transaction

On April 3, 2025, our Company entered into a supply of raw materials agreement (the "**Supply of Raw Materials Agreement**") with Luxshare Precision, for itself and on behalf of its associates, pursuant to which, our Group would supply a range of products (including, but not limited to, finished products, semi-finished products, materials, spare parts, components, consumables, as well as related design, research and development, testing, or services) (collectively, the "**Products**") to Luxshare Precision and its associate as they may require from time to time. The Products are used for incorporation into the end products of Luxshare Precision. The specifics of the Products are subject to the procurement order or related transaction notices or documents issued by Luxshare Precision.

The transactions under the Supply of Raw Materials Agreement shall be on terms no less favourable than terms available to Independent Third Parties. The price of the Products offered to Luxshare Precision shall not be higher than the lowest price offered to any third party, nor higher than the reasonable market price. The reasonable market price is determined based on quotations of similar products, including competitors' quotations and our quotations provided to third parties.

The initial term of the Supply of Raw Materials Agreement is three years and can be renewed automatically for successive terms of three years each unless either party provides written notice to the other party to terminate the agreement. Both parties or their respective subsidiaries or associates will enter into separate underlying agreements which will set out the specific terms and conditions for the supply of Products according to the principles provided in the Supply of Raw Materials Agreement.

Reasons for the Transaction

Our Group and Luxshare Precision have a long term, stable relationship and the parties are mutually familiar with each other's business needs and requirements. Based on our previous experience in business dealing with Luxshare Precision, we believe our Group and Luxshare Precision are capable of effectively satisfying each other's demands for the relevant products and services in a stable and reliable manner. Furthermore, as the provision of products and services by our Group to Luxshare Precision will be conducted in the ordinary course of business and on a continuing basis, the provision of these products and services to Luxshare Precision will also provide a stream of recurrent income and enhance our Group's financial performance.

Taking into account (i) the leading position of Luxshare Precision in the precision intelligent manufacturing sector; (ii) Luxshare Precision's large client base and strong market presence; and (iii) the established long-term relationship between our Group and Luxshare Precision, it is commercially sensible and beneficial for our Group to continue the Supply of Raw Materials Agreement.

Consideration and Pricing Policies

The prices to be charged by our Group for the Products to be supplied to Luxshare Precision and its associates pursuant to the Supply of Raw Materials Agreement shall be determined by commercial negotiation between the parties according to the principles of fairness and reasonableness, taking into account various factors including but not limited to the type of products, transaction volume and the prices for the supply of products of similar nature, type and quantity by our Group to other Independent Third Parties in the market.

Historical Amounts

For the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, the historical transaction amounts with respect to the supply of Products by our Group to Luxshare Precision and its associates were RMB49.3 million, RMB89.8 million, RMB81.6 million, RMB27.3 million and RMB38.1 million, respectively.

Annual Caps

The following table sets forth the proposed annual caps for the annual transaction amounts to be paid by Luxshare Precision and its associates to us under the Supply of Raw Materials Agreement:

	For the years ending December 31,		
	2026	2027	2028
		(RMB in million)	
Total fees to be paid to us by Luxshare Precision and its associates	150	200	250

The proposed annual caps are determined based on:

(i) the historical amounts of the transactions between our Group and Luxshare Precision and its associates (which were RMB49.3 million, RMB89.8 million, RMB81.6 million, RMB27.3 million and RMB38.1 million for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, respectively) in respect of our supply of the Products;

(ii) the existing contract value, and the projected level of supply of the Products with an annual increase of 10%-20% by our Group to Luxshare Precision and its associates to meet the needs of their future business development. The projected annual growth rate of 10%-20% is based on (a) the historical transaction growth trend between our Group and Luxshare Precision and its associates; (b) the anticipated expansion of Luxshare Precision's production capacity and market share in the consumer electronics and automotive sectors; (c) our Group's planned increase in manufacturing capacity and product development capabilities to accommodate such anticipated demand; and (d) management's assessment of the long-term strategic cooperation between the parties, which is expected to strengthen over time; and

(iii) other factors including but not limited to (a) the expected unit prices of our Products with an annual increase of 10%-20%, taking into account the anticipated increase in costs and expenses relating to raw materials, labour, etc.; (b) exchange rate fluctuations; and (c) market trends and potential fluctuations in demand arising from changes in market conditions.

Listing Rules Implications

Luxshare Precision holds 49% of the issued shares of Zhuhai Kinwong Flexible, a major subsidiary of the Company. Luxshare Precision is therefore a connected person at the subsidiary level of the Company.

As the highest applicable percentage ratio of the transactions under the Supply of Raw Materials Agreement for each of the three years ending December 31, 2028 calculated for the purpose of Chapter 14A of the Listing Rules is higher than 1% but below 5% and the transactions are between our Group and a connected person at the subsidiary level, such transactions will, upon Listing, constitute continuing connected transactions of our Company subject to the annual reporting requirement under Rules 14A.49 and 14A.71 of the Listing Rules and the announcement requirement under Rule 14A.35 of the Listing Rules but exempt from the independent Shareholders' approval requirements under Rule 14A.36 of the Listing Rules according to Rule 14A.101 of the Listing Rules.

INTERNAL CONTROL PROCEDURES ADOPTED BY THE COMPANY IN RESPECT OF THE IMPLEMENTATION OF CONTINUING CONNECTED TRANSACTION FRAMEWORK AGREEMENT

Our Group adopts the following internal control measures to ensure that the transactions will be carried out in accordance with the terms of the Supply of Raw Materials Agreement, including the pricing policies, and in compliance with all the applicable requirements under the Listing Rules:

- we have adopted a connected transactions management policy for the purpose of ensuring that connected transactions will be conducted in a fair manner, on normal commercial terms and in the interests of our Company and our Shareholders as a whole;
- prior to the execution of the underlying agreements for the supply of Products to Luxshare Precision and/or its associates, the operation department of the relevant business sector of our Group will compare the terms of the proposed transactions (including pricing and other contractual terms) with those similar transactions entered with Independent Third Parties or the terms offered to Independent Third Parties (as the case may be) to ensure that the supply of Products to Luxshare Precision and/or its associates shall be on terms no less favourable to our Group than those offered by our Group to Independent Third Parties;
- the finance team of our Group shall regularly examine the pricing of the transactions under the Supply of Raw Materials Agreement to ensure that those transactions are conducted in accordance with the pricing terms therein;
- the internal control team of our Group shall periodically review the pricing of the transactions under the Supply of Raw Materials Agreement against the prices negotiated between our Group and Independent Third Parties for similar products, to ensure that the terms of the underlying agreements for supply of the Products to Luxshare Precision and its associates are not less favorable to our Group than terms between our Group and the Independent Third Parties;
- the finance and business teams of our Group shall periodically monitor the transaction amount under the Supply of Raw Materials Agreement and, when it is expected that the transaction amount might exceed the annual cap, promptly report in accordance with our Group's connected transactions management policy to ensure that the Company complies with all the applicable requirements under the Listing Rules, including to revise the relevant annual cap when appropriate;
- the legal team of our Group has reviewed the terms of the Supply of Raw Materials Agreement and shall in case of any proposed change to the major terms of the transactions, ensure that the Company complies with all the applicable requirements under the Listing Rules, including but not limited to publishing an announcement; and

- our independent non-executive Directors and auditors will conduct annual review of the continuing connected transactions under the framework agreements and provide annual confirmations in accordance with Rules 14A.55 and 14A.56 of the Listing Rules.

APPLICATION FOR AND CONDITIONS FOR WAIVER

In respect of the transactions as contemplated under the Supply of Raw Materials Agreement as described above, we have applied for, and the Stock Exchange has granted us, a waiver from strict compliance with the announcement requirements under the Listing Rules pursuant to Rule 14A.105 of the Listing Rules subject to the condition that the aggregate value of such continuing connected transactions for the years ending December 31, 2026, 2027 and 2028 shall not exceed relevant annual amounts stated above.

DIRECTORS' CONFIRMATION

Our Directors (including independent non-executive Directors) are of the view that: (i) the continuing connected transactions set out above have been and will be entered into in our ordinary and usual course of business on normal commercial terms or better, on terms that are fair and reasonable, and in the interests of our Company and our Shareholders as a whole, and (ii) the proposed annual caps for these transactions are fair and reasonable and in the interests of our Company and the Shareholders as a whole.

JOINT SPONSORS' CONFIRMATION

The Joint Sponsors have (i) reviewed the relevant documents and information provided by our Company in relation to the above partially-exempt continuing connected transaction; (ii) obtained necessary representations and confirmations from our Company and the Directors, and (iii) participated in the due diligence and discussions with the management of our Group.

Based on the above, the Joint Sponsors are of the view that the aforesaid partially-exempt continuing connected transaction, for which a waiver has been sought, has been entered into in the ordinary and usual course of our business on normal commercial terms or better terms, are fair and reasonable and in the interests of our Company and our Shareholders as a whole, and that the proposed annual caps in respect of the partially-exempt continuing connected transaction are fair and reasonable and in the interests of our Company and our Shareholders as a whole.

DIRECTORS

Upon Listing, our Board will consist of nine Directors, including two executive Directors, four non-executive Directors and three independent non-executive Directors. Our Directors serve a term of three years and shall be subject to re-election upon the expiry of their respective term of office. The following table sets out certain information in respect of our Directors.

Name	Age	Position(s)	Date of joining our Group	Date of appointment as Director	Roles and responsibilities
Mr. Liu Yu (劉羽)(2)	40	Executive Director and Chief Executive Officer	March 1, 2012	June 14, 2019	Responsible for executing board resolutions, executing the Company's strategy, coordinating overall operations and ensuring performance and compliant operations
Mr. Deng Li (鄧利)	48	Executive Director and Vice President	July 1, 2000	August 27, 2018	Responsible for leading the marketing center, formulating sales targets and implementing operating indicators for our Group
Mr. Liu Shaobai (劉紹柏)(2)	63	Non-executive Director and Chairman of our Board	March 9, 1993	June 8, 2013(1)	Responsible for formulating the Group's overall strategy and for supervising and guiding the Group's management
Mr. Cheuk Yung (卓勇)(2)	59	Non-executive Director, Vice Chairman of our Board	December 1, 2000	November 26, 2013(1)	Responsible for compliance decision-making and safeguarding the interests of the Company and its Shareholders
Ms. Huang Xiaofen (黃小芬)(2)	62	Non-executive Director	October 1, 2007	June 8, 2013(1)	Responsible for compliance decision-making and safeguarding the interests of the Company and its Shareholders
Ms. Cheuk Kwan (卓軍)(2)	59	Non-executive Director	September 1, 2011	June 8, 2013(1)	Responsible for compliance decision-making and safeguarding the interests of the Company and its Shareholders
Dr. Zhou Guoyun (周國雲)	41	Independent Non-executive Director	December 21, 2021	December 21, 2021	Responsible for participating in board decision-making, advising on the Company's operations and development, enhancing the Board's governance framework, and safeguarding the interests of the Company and its Shareholders

Name	Age	Position(s)	Date of joining our Group	Date of appointment as Director	Roles and responsibilities
Dr. Xin Guosheng (辛國勝)	73	Independent Non-executive Director	August 13, 2025	August 13, 2025	Responsible for participating in board decision-making, advising on the Company's operations and development, enhancing the Board's governance framework, and safeguarding the interests of the Company and its Shareholders
Dr. Cao Chunfang (曹春方)	40	Independent Non-executive Director	August 23, 2022	August 23, 2022	Responsible for participating in board decision-making, advising on the Company's operations and development, enhancing the Board's governance framework, and safeguarding the interests of the Company and its Shareholders

Notes:

(1) The dates of the appointment refer to the first appointment of the relevant positions in our Company after its conversion into a joint stock company with limited liability in June 2013. For the details of the conversion, see "History and Corporate Structure — Major Shareholding Changes in Our Company — Conversion into Joint Stock Limited Company and Capital Increases."

(2) Ms. Huang Xiaofen is the wife of Mr. Liu Shaobai, and Mr. Liu Yu is the son of Mr. Liu Shaobai and Ms. Huang Xiaofen. Ms. Cheuk Kwan is the sister of Mr. Cheuk Yung.

Executive Directors

Mr. Liu Yu (劉羽), aged 40, is an executive Director and chief executive officer of our Company. Mr. Liu is primarily responsible for executing board resolutions, executing the Company's strategy, coordinating overall operations and ensuring performance and compliant operations, including developing the overseas customers base, expanding new businesses and scaling up production capacity.

Mr. Liu joined our Group in March 2012 as a procurement manager. From January 2013 to May 2016, he served as deputy general manager of the FPC business unit. From May 2016 to August 2017, he was assistant to the president of our Company. From August 2017 to June 2019, he served as vice president of the Company and president of the PCB business unit. From June 2019 to August 2022, he served as a director and vice president of the Company. Since August 2022, he has served as a director and chief executive officer of the Company.

Mr. Liu obtained a bachelor of business administration in global supply chain management from The Hong Kong Polytechnic University in October 2008, a master of science in finance from The Chinese University of Hong Kong in November 2012 and an EMBA degree from Peking University HSBC Business School in the PRC in July 2018.

Mr. Deng Li (鄧利), aged 48, is an executive Director and vice president of our Company. Mr. Deng is primarily responsible for leading the marketing center, formulating sales targets and implementing operating indicators for our Group.

From July 2000 to June 2003, Mr. Deng served as a planner in the marketing department of our Company. From June 2003 to June 2006, he served as a manager in the marketing department of our Company. From June 2006 to March 2009, he served as a deputy general manager of the marketing department for the FPC business unit. From June 2009 to June 2022, he served as a general manager of the FPC business unit. Since June 2013, he has served as vice president of the Company. He has also served as a director of the Company since August 2018.

Mr. Deng obtained a bachelor's degree in international economics and trade from Jiangxi University of Finance and Economics (江西財經大學) in the PRC in July 2000.

Non-Executive Directors

Mr. Liu Shaobai (劉紹柏), aged 63, is a non-executive Director and chairman of the Board of our Company. Mr. Liu is primarily responsible for formulating the Group's overall strategy and for supervising and guiding the Group's management.

Mr. Liu founded our Group in March 1993 and has been serving as chairman of the Board since March 1993. Mr. Liu has over 30 years of experience in the PCB industry. From March 1993 to August 2022, he served as chairman of the Board and the general manager. Since August 2022, he served as the chairman of the Board of our Company. Mr. Liu currently serves as a vice chairman of the China Printed Circuit Association.

Mr. Liu studied accounting at Huizhou Region Supply and Marketing School (惠陽地區供銷學校) in the PRC from September 1981 to July 1983 and studied business administration at Peking University HSBC Business School in the PRC from September 2012 to June 2014.

Mr. Cheuk Yung (卓勇), aged 59, is a non-executive Director and vice chairman of the Board of our Company. Mr. Cheuk is primarily responsible for compliance decision-making and safeguarding the interests of the Company and its Shareholders.

He joined the Company in December 2000 and has served as chief financial officer from December 2000 to February 2017, during which he was responsible for overseeing the Company's financial management, budget management, capital management, cost management and financial accounting. He has served as director of the Company since November 2013, vice chairman of the Board since May 2014. During his tenure, he was deeply involved in the transformation and upgrading of our ERP systems and financial systems related to the procurement and supply chain. He became an associate member of the Association of International Accountants on September 7, 2016.

Mr. Cheuk studied accounting at Hong Kong Shue Yan University from September 1989 to July 1992 and obtained an EMBA degree from Research Institute of Tsinghua University in Shenzhen (深圳清華大學研究院) in the PRC from December 2011 to June 2013.

Ms. Huang Xiaofen (黃小芬), aged 62, is a non-executive Director of our Company. Ms. Huang is primarily responsible for compliance decision-making and safeguarding the interests of the Company and its Shareholders. Ms. Huang started working in the Company from October 2007 and has served as a director of the Company since June 2013.

Ms. Huang studied finance and accounting at Shenzhen Nantou Adult Secondary Vocational School (深圳市南頭成人中等專業學校) from August 1990 to December 1993 and obtained an accountant qualification issued by the Ministry of Finance in May 1996. Ms. Huang currently also serves as the executive director and general manager of Jinghong Yongtai and the managing partner of Yizhao Investment.

Ms. Cheuk Kwan (卓軍), aged 59, is a non-executive Director of our Company. Ms. Cheuk is primarily responsible for compliance decision-making and safeguarding the interests of the Company and its Shareholders.

From 1996 to 2011, Ms. Cheuk served various positions in Kinwong Group Limited (景旺企業集團有限公司) including director, manager and company secretary. Since 2011, she has served as a director in Kinwong Electronic (Hong Kong) Limited. She currently also serves as a director of our Company and Wise Able Investment.

Independent Non-Executive Directors

Dr. Zhou Guoyun (周國雲), aged 41, is an independent non-executive Director of our Company. Dr. Zhou is primarily responsible for participating in board decision-making, advising on the Company's operations and development, enhancing the Board's governance framework, and safeguarding the interests of the Company and its Shareholders.

Since December 2014, Dr. Zhou has served as a researcher and teacher at the University of Electronic Science and Technology of China (電子科技大學) in the PRC. He is currently a director of the Jiangxi Electronic Circuit Research Center of the University of Electronic Science and Technology of China (電子科技大學), chair of the Editorial Board of Printed Circuit Information. He is also an independent non-executive director of Tianjin Printronics Circuit Co., Ltd. (天津普林電路股份有限公司).

Dr. Zhou obtained a bachelor's degree in applied chemistry in July 2007 and a master's degree in applied chemistry in June 2010, both from the University of Electronic Science and Technology of China (電子科技大學) in the PRC, and a doctoral degree in materials science and engineering from the same university in December 2014. From September 2012 to November 2013, he was a doctoral student in a joint training program in Georgia Institute of Technology.

Dr. Xin Guosheng (辛國勝), aged 73, is an independent non-executive Director of our Company. Dr. Xin is primarily responsible for participating in board decision-making, advising on the Company's operations and development, enhancing the Board's governance framework, and safeguarding the interests of the Company and its Shareholders.

From August 1988 to August 2011, Dr. Xin held various positions at HT Electronic (Shenzhen) Co., Ltd. (永捷電子(深圳)有限公司), including deputy factory director, factory director, deputy general manager, and general manager. From 2011 to August 2016, he served as the general manager HT Electronic (Shixing) Co. Ltd. (永捷電子(始興)有限公司). From October 2015 to April 2023, he was a deputy general manager of HT Electronic and Technology (Tianjin) Co., Ltd. (永捷電子科技(天津)股份有限公司). Currently, Dr. Xin has served as an independent director of Guangdong Dingtai High-tech Co., Ltd. (廣東鼎泰高科技術股份有限公司) since August 2020; a director of Guangdong Zhongneng Medical Equipment Co., Ltd. (廣東中能醫療裝備有限公司) since October 2020; an independent director of Ganzhou Chaoyue Technology Co., Ltd. (贛州市超躍科技股份有限公司) since November 2023; an independent director of Shenzhen Songbai Science and Industry Co., Ltd. (深圳市松柏科工股份有限公司) since December 2023; and an independent director of Shenzhen Han's CNC Technology Co., Ltd. (深圳市大族數控科技股份有限公司) since May 2024.

He also serves as the honorary secretary general (founding chairperson) of the Guangdong Printed Circuit Association (廣東省電路板行業協會), and senior vice chairperson of the council of the China Electronic Circuit Industry Association (中國電子電路行業協會). Dr. Xin is an advisor to the Technical Expert Committee of the Electronic Copper Foil Materials Branch of the China Electronic Materials Industry Association (中國電子材料行業協會電子銅箔材料分會技術專家委員會顧問) and a senior advisor to the Copper-Clad Laminate Materials Branch of the China Electronic Materials Industry Association (中國電子材料行業協會覆銅板材料分會高級顧問).

Dr. Xin obtained his bachelor's degree in arts from Heilongjiang University (黑龍江大學) in the PRC in July 1982 and MBA degree jointly from Tsinghua University (清華大學) and University of Wales in October 2006. He further obtained his doctor of business administration degree from Victoria University in Switzerland in June 2009.

Dr. Cao Chunfang (曹春方), aged 40, is an independent non-executive Director of our Company and chairperson of the Audit Committee. Dr. Cao is primarily responsible for participating in board decision-making, advising on the Company's operations and development, enhancing the Board's governance framework, and safeguarding the interests of the Company and its Shareholders.

From September 2012 to October 2017, Dr. Cao served as a lecturer, associate professor (promoted in December 2013), and Ph.D. supervisor in the Accounting Department at the School of Accounting, Southwestern University of Finance and Economics (西南財經大學會計學院). Since November 2017, he has been teaching at the School of Business at Sun Yat-sen University (中山大學管理學院). He is currently a professor of Accounting and a Ph.D. supervisor at the School of Business at Sun Yat-sen University (中山大學管理學院). Dr. Cao teaches courses including Economic Transformation and Risk Management, Enterprise Risk Management, Internal Control and Risk Management, Financial Statement Analysis, Accounting Basics, Theories and Practices of Corporate Governance and Advanced Financial Management. In these roles, he routinely reviews and analyzes audited public-company financial statements and the design, operation and assessment of internal controls over financial reporting. Dr. Cao has published quite a number of papers in both Chinese and English on corporate governance and financial accounting in renown journals, including in The Accounting Review which is one of the internationally recognized "Top Three" journals in the field of accounting. He was selected as National-level High-caliber Young Talent ("國家級高層次青年人才") and for the Ministry of Finance's Program to Enhance the Quality of Accounting Talents ("財政部高層次財會人才素質提升工程"). His teaching and research cover PRC GAAP and IFRS, audit quality, disclosure controls and internal control frameworks. From

December 2020 to August 2023, Dr. Cao also served as an independent director and the chairperson of the audit committee of Naruida Technology Co., Ltd. (廣東納睿雷達科技股份有限公司), a company listed on the Shanghai Stock Exchange's Science and Technology Innovation Board (stock code: 688522). In carrying out the responsibilities of the positions, Dr. Cao has direct and ongoing oversight of the company's financial reporting processes and internal control over financial reporting, including the design, implementation and effectiveness of those controls. His roles entail regular review and analysis of the company's audited financial statements, engagement with and oversight of the external auditors, and evaluation of accounting policies and estimates to ensure compliance with applicable reporting standards. Dr. Cao has accumulated experience in reviewing and analyzing financial statements and examining the relevant internal controls of public companies. Dr. Cao has also served as an independent director and chairman of the audit committee of Alpha Group Co., Ltd. (奧飛娛樂股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 002292) since March 2026.

Dr. Cao concurrently serves as vice president of the Financial Cost Branch of the Accounting Society of China (中國會計學會財務成本分會副會長), a member of the Internal Control Professional Committee of the Accounting Society of China (中國會計學會內部控制專業委員會委員), and a part-time research fellow at the China Association for Corporate Governance (中國公司治理研究院兼職研究員).

Dr. Cao obtained a bachelor's degree in chemical engineering and technology from Anhui Polytechnic University (安徽工程大學) in the PRC in July 2007, a master's degree in management from Yunnan University of Finance and Economics (雲南財經大學) in the PRC in 2009 and a doctorate in corporate governance from Nankai University (南開大學) in the PRC in 2012.

Rule 3.09D of the Listing Rules

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules on December 8, 2025, and (ii) understands his or her obligations as a director of a listed issuer under the Listing Rules.

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors has confirmed (i) his/her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules, (ii) he/she has no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person of our Company under the Listing Rules as of the Latest Practicable Date, and (iii) that there are no other factors that may affect his/her independence at the time of his/her appointments.

Rule 8.10 of the Listing Rules

Each of our Directors confirms that, as of the Latest Practicable Date, he/she did not have any interest in any business which competes or is likely to compete directly or indirectly with our business and requires disclosure under Rule 8.10 of the Listing Rules.

SENIOR MANAGEMENT

The senior management is responsible for the day-to-day management of our business. The following table sets out the information of members of our senior management.

Name	Age	Position(s)	Date of joining our Group	Date of appointment as senior management[1]	Roles and responsibilities
Mr. Liu Yu (劉羽)[2] . .	40	Executive Director and Chief Executive Officer	March 1, 2012	August 14, 2017	Responsible for executing board resolutions, executing the Company's strategy, coordinating overall operations and ensuring performance and compliant operations

Name	Age	Position(s)	Date of joining our Group	Date of appointment as senior management(1)	Roles and responsibilities
Mr. Deng Li (鄧利) . .	48	Executive Director and Vice President	July 1, 2000	June 8, 2013	Responsible for leading the marketing center, formulating sales targets and implementing operating indicators for our Group
Mr. Dong Xiaojun (董曉軍)	66	Vice President	April 11, 2022	August 23, 2022	Responsible for assisting the president in managing and advancing procurement and supply chain optimization, and managing the execution of strategic planning
Mr. Sun Junlei (孫君磊)	46	Chief Financial Officer	June 1, 2023	October 30, 2023	Responsible for the overall financial management of our Group
Mr. Wang Jun (王俊) .	46	Vice President	June 1, 2001	June 26, 2025	Responsible for managing the daily operations of the research institute and overseeing the Group's research and development management system
Mr. Huang Tian (黃恬)	44	Board Secretary and Joint Company Secretary	January 2, 2008	June 8, 2013(1)	Responsible for corporate governance, investors relation, information disclosure and company secretary matters for our Company

Notes:

(1) The dates of the appointment refer to the first appointment of the relevant positions in our Company after its conversion into a joint stock company with limited liability in June 2013. For the details of the conversion, see "History and Corporate Structure — Major Shareholding Changes in Our Company — Conversion into Joint Stock Limited Company and Capital Increases."

(2) Mr. Liu Yu is the son of Mr. Liu Shaobai and Ms. Huang Xiaofen, both are non-executive Directors of the Company.

Mr. Liu Yu (劉羽), aged 40, is an executive Director and chief executive officer of our Company. For his biography, see "— Directors — Executive Directors" in this section.

Mr. Deng Li (鄧利), aged 48, is an executive Director and vice president of our Company. For his biography, see "— Directors — Executive Directors" in this section.

Mr. Dong Xiaojun (董曉軍), aged 66, is a vice president of our Company. He is primarily responsible for assisting the president in managing and advancing procurement and supply chain optimization, and managing the execution of strategic planning.

From March 1996 to March 2022, he served as a vice president at Shengyi Technology Co., Ltd. (廣東生益科技股份有限公司) and special assistant of the general manager. Since August 2022, he has served as vice president of our Company.

Mr. Dong obtained an EMBA degree from China Europe International Business School (上海中歐國際工商學院) in the PRC in September 2007.

Mr. Sun Junlei (孫君磊), aged 46, has been our chief financial officer since October 2023. He is responsible for the overall financial management of our Group.

From December 2013 to December 2022, Mr. Sun served as the chief financial officer of several PRC subsidiaries of the Philips Group, including Zhuhai Philips Household Appliances Co., Ltd. (珠海經濟特區飛利浦家庭電器有限責任公司), the Shenzhen Branch of Philips (China) Investment Co., Ltd. (飛利浦(中國)投資有限公司深圳分公司) and the Shenzhen Branch of Philips HealthTech (China) Co., Ltd. (飛利浦健康科技(中國)有限公司深圳分公司).

Mr. Sun obtained a master's degree in business administration from Shanghai University of Finance and Economics (上海財經大學) in the PRC in October 2009.

Mr. Wang Jun (王俊), aged 46, has been our vice president since June 2025. He is responsible for managing the daily operations of the research institute and overseeing the Group's research and development management system.

From June 2001 to July 2025, Mr. Wang held positions within our Group, including engineer/senior engineer from June 2001 to December 2007, process manager from January 2008 to June 2012, deputy general manager of the factory from July 2012 to February 2015, and Group technical director from March 2015 to July 2025, with responsibilities covering key customers support, process, engineering, R&D management, etc.

Mr. Wang obtained an associate degree from South China Normal University (華南師範大學) in the PRC in August 2000. He was awarded the professional title of Senior Engineer (Electronic Components) by the Shenzhen Municipal Human Resources and Social Security Bureau (深圳市人力資源和社會保障局) in August 2023.

Mr. Huang Tian (黃恬), aged 44, has been our board secretary since June 2013. He is responsible for corporate governance, investors relation, information disclosure and company secretary matters for our Company.

From January 2008 to May 2008, he was a credit specialist in our Company. From May 2008 to December 2009, he was the special assistant to the chief executive officer. From December 2009 to December 2010, he was a senior supervisor of the supply chain. From December 2010 to November 2025, he was the director of the president's office. He has also served as a director of Jiangxi Kinwong since July 2019 and director of Zhuhai Kinwong Flexible since October 2020.

Mr. Huang obtained a bachelor's degree in law from Southwest University of Political Science and Law (西南政法大學) in the PRC in July 2006.

JOINT COMPANY SECRETARIES

Mr. Huang Tian (黃恬), aged 44, has been appointed as one of our joint company secretaries in December 2025, with effect from Listing. For Mr. Huang's biography, see "— Senior Management" of this section.

Ms. Ye Jiahong was appointed as one of our joint company secretaries in December 2025, with effect from Listing. She serves as an assistant manager of the listing services department of TMF Hong Kong Limited, responsible for providing corporate secretarial and compliance services to listed companies.

Ms. Ye has approximately 7 years of experience in the corporate secretarial field, being an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

Ms. Ye obtained a bachelor of arts degree in English (business management stream) from Jinan University in June 2013 and a master of arts degree in computer-aided translation from The Chinese University of Hong Kong in November 2014.

MANAGEMENT AND CORPORATE GOVERNANCE

Board Committees

Our Board delegates certain responsibilities to various committees. In accordance with the relevant PRC laws and regulations and the Corporate Governance Code, Appendix C1 to the Listing Rules, our Company has established four Board committees, namely the Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee and the Strategy and ESG Committee.

Audit Committee

We have established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The primary duties of the Audit Committee are to review our Group's financial information and disclosure, and to oversee and evaluate internal and external audit work and the internal control system. The Audit Committee comprises three members, namely Dr. Cao Chunfang, Dr. Zhou Guoyun and Mr. Cheuk Yung, with Dr. Cao Chunfang (being an independent non-executive Director with the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules) as chairperson of the Audit Committee.

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 set out in Appendix C1 to the Listing Rules. The primary duties of the Remuneration and Appraisal Committee are to develop performance evaluation standards for the Directors and senior management and conduct such evaluations, and to formulate and review the remuneration policies and plans for the Directors and senior management and make recommendations to the Board. The Remuneration and Appraisal Committee comprises three members, namely Dr. Zhou Guoyun, Dr. Xin Guosheng and Mr. Liu Shaobai, with Dr. Zhou Guoyun as chairperson of the Remuneration and Appraisal Committee.

Nomination Committee

We have established the Nomination Committee pursuant to Rule 3.27A of the Listing Rules with written terms of reference set out in the Code on Corporate Governance in Appendix C1 to the Listing Rules. The primary duties of the Nomination Committee are to formulate the selection criteria and procedures for Directors and senior management, and to screen and review candidates for Directors and senior management and make recommendations to the Board. The Nomination Committee comprises three members, namely Dr. Xin Guosheng, Dr. Cao Chunfang and Ms. Huang Xiaofen, with Dr. Xin Guosheng as chairperson of the Nomination Committee.

Strategy and ESG Committee

We have established the Strategy and ESG Committee. The primary duties of the Strategy and ESG Committee are to evaluate and make recommendations to the Board on our Group's long-term development strategy, major investment decisions and ESG work. The Strategy and ESG Committee comprises three members, namely Mr. Liu Shaobai, Mr. Cheuk Yung and Dr. Zhou Guoyun, with Mr. Liu Shaobai as chairperson of the Strategy and ESG Committee.

Corporate Governance Code

We aim to achieve high standards of corporate governance which are crucial to the development and safeguard the interests of our Shareholders. To accomplish this, our Company expects to comply with the Corporate Governance Code set out in Appendix C1 to the Listing Rules after the Listing save for the deviation as mentioned below. Any deviation from the code provisions shall be carefully considered, and the reasons for any deviation and explanation of how good corporate governance was achieved by means other than strict compliance with the code provisions shall be given in the interim report and the annual report in respect of relevant period.

Board diversity

Our Company has adopted a board diversity policy (the "**Board Diversity Policy**"), which sets out the approach to achieve diversity of the Board. Our Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level, including gender diversity, as an essential element in maintaining our Company's competitive advantage and enhancing its ability to attract, retain and motivate employees from the widest possible pool of available talent. Pursuant to the Board Diversity Policy, in reviewing and assessing suitable candidates to serve as a Director of our Group, the Nomination Committee will consider a number of aspects, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge, and industry and regional experience. Pursuant to the Board Diversity Policy, the Nomination Committee will discuss periodically and when necessary, agree on the measurable objectives for achieving diversity, including gender diversity, on the Board and recommend them to the Board for adoption.

Our Directors have a balanced mix of knowledge and skills, including but not limited to global supply chain management, engineering, and finance and accounting. They received degrees in various majors including engineering, material science, international economics and trade, applied chemistry, business administration and accounting. We have both male and female members serving on the Board currently. Furthermore, the Board has a relatively wide range of ages, ranging from 40 years old to 73 years old. The Board is of the view that the Board satisfies the Board Diversity Policy.

The Nomination Committee is responsible for reviewing the diversity of the Board. Upon Listing, the Nomination Committee will from time to time review the Board Diversity Policy, develop and review measurable objectives for implementing the policy, and monitor the progress on achieving these measurable objectives in order to ensure that the policy remains effective. Our Company will disclose the biographical details of each Director and plans to report on the implementation of the Board Diversity Policy (including whether we have achieved board diversity) in our annual corporate governance report. Our Company also intends to promote gender diversity when recruiting staff at the mid to senior level so that our Company will have a pipeline of female senior management and potential successors to the Board. We plan to offer all-rounded training to female employees whom we consider to have the suitable experience, skills, and knowledge of our operation and business, including but not limited to, business operation, management, accounting and finance, legal and compliance, and research and development. We are of the view that such a strategy will offer chances for the Board to identify more capable female employees to be nominated as a member of the Board in future with an aim to providing the Board with a pipeline of female candidates to achieve gender diversity in the Board in the long run.

Management presence

Pursuant to Rules 8.12 and 19A.15 of the Listing Rules, an issuer must have a sufficient management presence in Hong Kong. This normally means that at least two of its executive Directors must be ordinarily resident in Hong Kong. We do not have sufficient management presence in Hong Kong for the purposes of Rules 8.12 and 19A.15 of the Listing Rules.

Accordingly, we have applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rules 8.12 and 19A.15 of the Listing Rules. See "Waivers and Exemption — Waiver in respect of Management Presence in Hong Kong" for further details.

REMUNERATION

Our Directors and senior management receive remuneration, including salaries, allowances, and benefits in kind and our contribution to the pension plan on their behalf.

The aggregate amount of remuneration (including basic salaries, housing allowances, other allowances and benefits in kind, contributions to pension plans, discretionary bonuses, and share-based payment expenses) for our Directors for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026 was RMB9.88 million, RMB10.55 million, RMB10.78 million, RMB3.86 million and RMB3.54 million, respectively.

The five highest paid individuals of our Group for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026 included 3, 2, 2, 1 and 2 Directors, respectively. The aggregate amount of remuneration (including basic salaries, housing allowances, other allowances and benefits in kind, contributions to pension plans, discretionary bonuses, and share-based payment expenses) for the five highest paid individuals for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026 was RMB11.4 million, RMB13.5 million, RMB17.2 million, RMB5.4 million and RMB5.2 million, respectively.

Save as disclosed above, no other payments have been paid or are payable, in respect of the Track Record Period by our Company to our Directors. For the year ended December 31, 2026, we expect to pay approximately RMB11.2 million in aggregate remuneration to our Directors.

No remuneration was paid to our Directors or the five highest paid individuals as an inducement to join, or upon joining, our Company. No compensation was paid to, or receivable by, our Directors or past directors for the Track Record Period for the loss of office as director or supervisor or any member of our Group or of any other office in connection with the management of the affairs of any member of our Group. None of our Directors waived any emoluments during the same period.

Our Board will review and determine the remuneration and compensation packages of our Directors and senior management and will receive recommendation from the Remuneration and Appraisal Committee, which will take into account salaries paid by comparable companies, time commitment and responsibilities of our Directors and senior management as well as the performance of our Group.

COMPLIANCE ADVISOR

We have appointed Lego Corporate Finance Limited as our Compliance Advisor pursuant to Rule 3A.19 of the Listing Rules. The Compliance Advisor will provide us with guidance and advice as to compliance with the requirements under the Listing Rules and applicable laws. Pursuant to Rule 3A.23 of the Listing Rules, the Compliance Advisor will advise our Company, among others, 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 the 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 regarding unusual movements in the price or trading volume of our listed securities or any other matters in accordance with Rule 13.10 of the Listing Rules.

The term of appointment of the Compliance Advisor shall commence on the Listing Date and is expected to 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 and such appointment may be subject to extension by mutual agreement.

So far as our Directors are aware, immediately following completion of the Global Offering the following persons will have an interest or short position in our Shares or underlying Shares which would fall to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, will be, directly or indirectly, interested in 10% or more of the issued voting shares of any class of shares of our Company or any other member of our Group:

		A Shares held as of the Latest Practicable Date		Shares held following the completion of the Global Offering(1)(2)		
Name of Shareholder	**Capacity/Nature of interest**	**Number**	**Approximate percentage of issued Shares**	**Number**	**Approximate percentage of issued A Shares**	**Approximate percentage of total issued Shares**
			(%)		(%)	(%)
Mr. Liu Shaobai	Beneficial owner	478,805	0.05	478,805 A Shares	0.05	0.04
	Interest of person acting in concert(4)	560,846,175	56.01	560,846,175 A Shares	56.01	52.21
	Interest of spouse(3)	280,493,262	28.01	280,493,262	28.01	26.11
Jinghong Yongtai	Beneficial owner	280,075,322	27.97	280,075,322 A Shares	27.97	26.07
	Interest of person acting in concert(4)	560,846,175	56.01	560,846,175 A Shares	56.01	52.21
Yizhao Investment	Interest of person acting in concert(4)	560,846,175	56.01	560,846,175 A Shares	56.01	52.21
Ms. Huang Xiaofen	Beneficial owner	417,940	0.04	417,940 A Shares	0.04	0.04
	Interest in controlled corporations	280,075,322	27.97	280,075,322 A Shares	27.97	26.07
	Interest of person acting in concert(4)	560,846,175	56.01	560,846,175 A Shares	56.01	52.21
	Interest of spouse(3)	478,805	0.05	478,805	0.05	0.04
Mr. Liu Yu	Interest in controlled corporations	280,075,322	27.97	280,075,322 A Shares	27.97	26.07
	Interest of person acting in concert(4)	560,846,175	56.01	560,846,175 A Shares	56.01	52.21
Ms. Cheuk Kwan	Interest in controlled corporations	279,874,108	27.95	279,874,108 A Shares	27.95	26.05
	Interest of person acting in concert(4)	560,846,175	56.01	560,846,175 A Shares	56.01	52.21
Wise Able Investment	Beneficial owner	279,874,108	27.95	279,874,108 A Shares	27.95	26.05
	Interest of person acting in concert(4)	560,846,175	56.01	560,846,175 A Shares	56.01	52.21

Notes:

(1) All interests stated are long positions.

(2) The table above assumes the Global Offering becomes unconditional and the Offer Shares are issued pursuant to the Global Offering.

(3) Mr. Liu Shaobai and Ms. Huang Xiaofen are spouses.

(4) Jinghong Yongtai, Wise Able Investment, Yizhao Investment, Mr. Liu Shaobai, Ms. Huang Xiaofen, Ms. Cheuk Kwan and Mr. Liu Yu are the parties acting in concert.

As of the Latest Practicable Date, to the best knowledge of our Directors, the following persons (other than members of our Group) were interested in 10% or more of the voting rights at general meetings of our subsidiaries:

Name of subsidiary	Name of substantial shareholder	Approximate percentage of shareholding
		(%)
Zhuhai Kinwong Flexible	Luxshare Precision Industry Co., Ltd. (立訊精密工業股份有限公司)	49

Except as disclosed above, our Directors are not aware of any other person who will, immediately following completion of the Global Offering have an interest or short position in our Shares or underlying Shares which would fall to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, will be, directly or indirectly, interested in 10% or more of the issued voting shares of any class of shares of our Company or any other member of our Group.

THE CORNERSTONE PLACING

We have entered into cornerstone investment agreements (the "**Cornerstone Investment Agreements**") with the cornerstone investors set forth below (the "**Cornerstone Investors**") who have agreed to subscribe for such number of our Offer Shares (rounded down to the nearest whole board lot of 100 H Shares) which may be purchased at the Offer Price with an aggregate amount of approximately US$310 million (or approximately HK$2,431 million, calculated based on an exchange rate of US$1.00 to HK$7.8421) (exclusive of the brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee) (the "**Cornerstone Placing**").

Based on an Offer Price of HK$69.88 per Offer Share (being the maximum Offer Price), the total number of Offer Shares to be subscribed by the Cornerstone Investors would be 34,788,400 Offer Shares, representing approximately 47.69% of the Shares offered pursuant to the Global Offering and approximately 3.24% of our total issued share capital immediately upon completion of the Global Offering.

Our Company is of the view that, leveraging on the Cornerstone Investors' investment experience and market position, the Cornerstone Placing will help to raise the profile of our Company and to signify that such Cornerstone Investors have confidence in our Company's business and prospects. Our Company became acquainted with each of the Cornerstone Investors in its ordinary course of operation through the Group's business network or through introduction by the Company's existing Shareholders or the Overall Coordinators involved in the Global Offering.

The Cornerstone Placing will form part of the International Offering, and, save as otherwise having obtained consent from the Stock Exchange, the Cornerstone Investors (and, for Cornerstone Investors who will subscribe for our Offer Shares through qualified domestic institutional investor ("**QDII**"), the QDIIs) and their respective close associates will not subscribe for any Offer Shares under the Global Offering (other than pursuant to the Cornerstone Investment Agreements). The Offer Shares to be subscribed by the Cornerstone Investors (and, for Cornerstone Investors who will subscribe for our Offer Shares through QDII, the QDIIs) will rank *pari passu* in all respects with the fully paid H Shares in issue following the Global Offering of the Company and will be counted towards the public float of our Company under Rule 19A.13A of the Listing Rules. Immediately following the completion of the Global Offering, (i) none of the Cornerstone Investors and their close associates will become a substantial shareholder of the Company; (ii) none of the Cornerstone Investors and their close associates will have any Board representation in the Company solely by virtue of its cornerstone investment, and (iii) equity interests in the Company being beneficially owned by the three largest public Shareholders will be less than 50% for the purpose of Rule 8.08(3) of the Listing Rules. Other than a guaranteed allocation of the relevant Offer Shares at the Offer Price, the Cornerstone Investors do not have any preferential rights in the Cornerstone Investment Agreements compared with other public Shareholders. There are no side arrangements 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.

To the best knowledge of the Company, among the Cornerstone Investors, E Fund is a close associate of an existing minority Shareholder of the Company. The Stock Exchange has granted a waiver from strict compliance with the requirements under Rule 10.04 and consent under Paragraph 1C(2) of Appendix F1 to the Listing Rules to permit H Shares in the International Offering to be placed to certain existing minority Shareholders and/or their close associates. For further details, please refer to the section headed "Waivers and Exemption — Waiver in respect of Allocation of H Shares to Existing Minority Shareholders and Their Close Associates". Save for the above, to the best knowledge, information and belief of our Company, (i) the Cornerstone Investors and its respective ultimate beneficial owners are Independent Third Parties; (ii) none of the Cornerstone Investors is accustomed to take or has taken instructions from our Company, the Directors, chief executive of our Company, 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; and (iii) none of the subscription of the Offer Shares by the Cornerstone Investors is directly or indirectly financed by our Company, the Directors, chief executive of our Company, substantial shareholders, existing Shareholders or any of their respective subsidiaries or their respective close associates.

To the best knowledge of the Company and as confirmed by each of the Cornerstone Investors, their subscriptions under the Cornerstone Investment would be financed by their own internal resources, resources of their shareholders or (in the case of the Cornerstone Investor which is funds or investment manager) the assets managed for their investors, and each of them has sufficient funds to settle its respective investment under the Cornerstone Placing. Each of the Cornerstone Investors has confirmed that all necessary approvals have been obtained with respect to the Cornerstone Placing.

The total number of Offer Shares to be subscribed for by the Cornerstone Investors (and, for any Cornerstone Investors who will subscribe for our Offer Shares through QDII, the QDIIs) under the Cornerstone Investment may be affected by reallocation of the Offer Shares between the International Offering and the Hong Kong Public Offering in the event of over-subscription under the Hong Kong Public Offering, as described in the paragraphs headed "Structure of the Global Offering — The Hong Kong Public Offering — Reallocation" in this prospectus. Further, the Sponsor-Overall Coordinators and the Company can adjust the number of Offer Shares to be acquired by each Cornerstone Investor in their sole and absolute discretion for the purpose of compliance with Rules 8.08(3), 19A.13A and 19A.13C of the Listing Rules, Practice Note 18 to the Listing Rules and Appendix F1 (Placing Guidelines for Equity Securities) to the Listing Rules. Details of the actual number of Offer Shares to be allocated to each of the Cornerstone Investors will be disclosed in the allotment results announcement to be issued by the Company on or around September 28, 2026. The Cornerstone Investors have agreed to pay in full for the relevant Offer Shares that they have subscribed before dealings in the Company's H Shares commence on the Stock Exchange.

THE CORNERSTONE INVESTORS

The table below sets forth details of the Cornerstone Placing:

Cornerstone Investor	Subscription amount(1)	Number of Offer Shares(2)	Approximate % of the Offer Shares	Approximate % of the issued share capital
	(USD)			
CPE Redwood	50,000,000	5,611,100	7.69%	0.52%
Zhongji Innolight	50,000,000	5,611,100	7.69%	0.52%
Hong Kong Mason	50,000,000	5,611,100	7.69%	0.52%
CIG	30,000,000	3,366,600	4.62%	0.31%
CloudAlpha Capital	25,000,000	2,805,500	3.85%	0.26%
E Fund	25,000,000	2,805,400	3.85%	0.26%
E Fund Management	16,500,000	1,851,600	2.54%	0.17%
E Fund HK	8,500,000	953,800	1.31%	0.09%
Bosera International	20,000,000	2,244,400	3.08%	0.21%
Seven Grand	15,000,000	1,683,300	2.31%	0.16%
3W Fund	10,000,000	1,122,200	1.54%	0.10%
Tianhong Fund	10,000,000	1,122,200	1.54%	0.10%
Ninety One Asia	10,000,000	1,122,200	1.54%	0.10%
JPMAMAPL	5,000,000	561,100	0.77%	0.05%
Barings	5,000,000	561,100	0.77%	0.05%
KHL	5,000,000	561,100	0.77%	0.05%
Total	**310,000,000**	**34,788,400**	**47.69%**	**3.24%**

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; and

(2) Subject to rounding down to the nearest whole board lot of 100 Offer Shares. Calculated based on the exchange rate set out in the section headed "Information about this Prospectus and the Global Offering — Exchange Rate Conversion".

The information about our Cornerstone Investors set forth below has been provided by the Cornerstone Investors in connection with the Cornerstone Placing.

CPE Redwood

CPE Redwood Investment Limited ("**CPE Redwood**") is a business company incorporated under the laws of the BVI and its primary business activity is investment holding. It is controlled by CPE Global Opportunities Fund II, L.P. ("**CPE GOF II**"), an exempted limited partnership formed under the laws of the Cayman Islands. Apart from CPE GOF II, no other shareholder holds more than 30% interest in CPE Redwood. The general partner of CPE GOF II is CPE GOF GP Limited, a company incorporated in the Cayman Islands with limited liability. CPE GOF GP Limited is directly and wholly owned by CPE Management International Limited, which is in turn wholly owned by CPE Management International II Limited, both of which are companies incorporated in the Cayman Islands with limited liability. CPE Management International II Limited is owned by a number of shareholders that are natural persons who are Independent Third Parties and none of whom holds 30% or more interest in CPE Management International II Limited. CPE GOF II's investor base comprises both corporate and entrepreneurial investors, and none of the limited partners hold 30% or more interest in CPE GOF II.

Zhongji Innolight

VERTEXVEST HOLDING PTE. LTD. ("**VERTEXVEST**") is a private limited company incorporated in Singapore in August 2023 and is engaged in the principal activities of investment, trade and services. VERTEXVEST is ultimately wholly owned by Zhongji Innolight Co., Ltd. (中際旭創股份有限公司) ("**Zhongji Innolight**"), a company listed on the Shenzhen Stock Exchange (stock code: 300308) and the Hong Kong Stock Exchange (stock code: 3308), through InnoLight Technology (Suzhou) Co., Ltd., its wholly owned subsidiary.

Hong Kong Mason

HONG KONG MASON ELECTRONICS CO., LIMITED (香港麥遜電子有限公司) ("**Hong Kong Mason**") is a limited company incorporated under the laws of Hong Kong in 2021. The company is primarily engaged in the sales of PCB inspection equipment and related components. Hong Kong Mason is a wholly-owned subsidiary of Shenzhen Han's CNC Technology Co., Ltd. ("**Han's CNC**"), a company listed on the Shenzhen Stock Exchange (stock code: 301200) and the Hong Kong Stock Exchange (stock code: 3200). Han's CNC focuses on AI computing power scenarios and maintains deep partnerships with industry-leading clients. Its main business includes the R&D, production, and sales of specialized equipment for PCB and advanced packaging, covering key processes such as lamination, drilling, exposure, forming, and inspection. Han's CNC provides differentiated one-stop process solutions for clients in various niche scenarios and is the world's largest supplier of specialized PCB equipment.

Hong Kong Mason may obtain external financing from a commercial bank (the "**Lender**") to finance its subscription of the H Shares. The loan(s), if obtained, will be on normal commercial terms after arm's length negotiations. The H Shares to be subscribed for by Hong Kong Mason will not be charged to such commercial bank as security for such loan(s).

CIG

Cambridge Industries Group Telecommunication Limited, a company incorporated in Hong Kong, is indirectly wholly-owned by CIG SHANGHAI CO., LTD. (上海劍橋科技股份有限公司) ("**CIG**").

CIG is a China-based company principally engaged in the research and development, production and sales of terminal equipment (including telecommunications broadband, wireless networks and small base stations, edge computing and industrial Internet products) and high-speed optical module products for telecommunications, data communications and enterprise networks. CIG has been listed on the Shanghai Stock Exchange (stock code: 603083) since November 2017, and the Hong Kong Stock Exchange (stock code: 6166) since October 2025.

CloudAlpha Capital

CloudAlpha Capital Management Limited (奇點資產管理有限公司) ("**CloudAlpha Capital**") was founded in 2014 and is now a global-leading hedge fund manager that focuses on investment in technologies. CloudAlpha Capital is headquartered in Hong Kong, with teams also spread across Shenzhen, Shanghai, Taipei, Hsinchu, and Tokyo. CloudAlpha Capital currently manages equity long or short hedge funds with total assets under management of approximately US$4 billion. CloudAlpha Capital is fully controlled by Yang Jin (楊晉), Wang Yen Kang (王彥康) and Yan Peide (閆沛德), all of whom are Independent Third Parties. CloudAlpha Capital acts as the investment manager to two funds, namely Singularity Master Fund and Singularity Winners Master Fund, managed by it on a discretionary basis. There is no single investor holding 30% or more interests in the funds.

E Fund

E Fund Management Co., Ltd. ("**E Fund Management**"), is a leading comprehensive asset management company in the PRC. E Fund Management is a QDII approved by the relevant PRC authority and targets at companies with competitive edge over its competitors. E Fund Management is a fund manager managing assets on behalf of its underlying clients. The shareholders of E Fund Management include (1) Guangdong Finance Trust Co., Ltd. (廣東粵財信託有限公司), which is ultimately owned by The People's Government of Guangdong Province (廣東省人民政府), (2) GF Securities Co., Ltd. (廣發証券股份有限公司) ("**GF Securities**"), which is listed on the Stock Exchange (stock code: 1776) and the Shenzhen Stock Exchange (stock code: 000776), and (3) Infore Group Co., Ltd (盈峰集團有限公司), which is ultimately owned by He Jianfeng (何劍鋒), each holding 22.65% in E Fund Management and an Independent Third Party. None of the remaining shareholders of E Fund Management owns 30% or more equity interest therein.

E Fund Management (Hong Kong) Co., Ltd. (易方達資產管理(香港)有限公司) ("**E Fund HK**", together with E Fund Management, "**E Fund**"), a company incorporated in Hong Kong in August 2008, is a wholly-owned subsidiary of E Fund Management. E Fund HK is licensed for Type 1 (Dealing in Securities), Type 4 (Advising on Securities) and Type 9 (Asset Management) regulated activities by the SFC. E Fund HK serves as the global investment and business platform for its parent company, E Fund Management. As E Fund Management's gateway company overseas, E Fund HK strategically connects China with the overseas market. E Fund HK leverages the investment and research capabilities of E Fund Management and its competitive advantage in the overseas market to provide comprehensive and quality service to its clients.

Bosera International

Bosera Asset Management (International) Co., Limited ("**Bosera International**") was incorporated in Hong Kong in 2010 and holds Type 1 (dealing in securities), Type 4 (advising on securities), and Type 9 (asset management) licenses issued by the SFC. Bosera International is owned as to 55% by Bosera Asset Management Co., Limited and as to 45% by China Merchants Fund Management Co., Limited. Bosera Asset Management Co., Limited is owned as to 49% by China Merchants Securities Co., Ltd. ("**China Merchants Securities**"), a company listed on the Stock Exchange (stock code: 6099) and the Shanghai Stock Exchange (stock code: 600999), with no other single beneficial owner holding 30% or more interest in the company. China Merchants Fund Management Co., Limited is owned as to 55% by China Merchants Bank Co., Ltd., a company listed on the Stock Exchange (stock code: 3968) and the Shanghai Stock Exchange (stock code: 600036), with the remaining 45% interest held by China Merchants Securities. Bosera International has participated in the Cornerstone Placing in its capacity as the discretionary investment advisor or investment manager for and on behalf of certain funds.

Seven Grand

Seven Grand Managers, LLC ("**Seven Grand**") is an investment management firm organized in Delaware, United States as a limited liability company. Seven Grand focuses on opportunistic and event-driven strategies across global public and private markets. The firm manages capital on behalf of institutional investors and high-net worth investors through private funds and managed accounts. Core investment activities include participation in IPOs (including cornerstone tranches), block trades, private placements, and special situation opportunities.

As of the Latest Practicable Date, Seven Grand was controlled by Mr. Chris Fahy as to 99% as its managing member. Mr. Fahy oversees the firm's risk taking, portfolio construction, and sourcing efforts. Prior to launching Seven Grand, he served as the chief investment officer of Galaxy Investment Partners, as a portfolio manager at Fortress Investment Group, and spent over 10 years across numerous leading global investment banks. Seven Grand is acting as a discretionary investment adviser to one or more private funds and accounts.

3W Fund

3W Fund Management Limited ("**3W Fund**") is incorporated in Hong Kong with limited liability and licensed by the SFC to carry out Type 9 (asset management) regulated activity. 3W Fund is wholly owned by Mr. Weiwei Wu, an Independent Third Party. 3W Fund has agreed to procure 3W Global Fund, over which 3W Fund has discretionary investment management power, to subscribe for such number of the Offer Shares. 3W Global Fund pursues to maximize absolute return and seek long-term capital growth primarily through fundamental investment principle with value approach. No single investor holds 30% or more interest in 3W Global Fund.

Tianhong Fund

Tianhong Asset Management Co., Ltd. (天弘基金管理有限公司) ("**Tianhong Fund**") was established on November 8, 2004 as one of the national mutual fund management companies approved by the CSRC, with a current registered capital of RMB514.3 million. Tianhong Fund's controlling shareholder is Ant Group Co., Ltd. (螞蟻科技集團股份有限公司), which holds a 51.0% equity interest and has no actual controller. Adhering to the business philosophy of "prudent wealth management and trustworthiness", Tianhong Fund has been forging ahead with continuous innovation over the 21 years since its establishment, gaining widespread market recognition. In 2013, Tianhong Fund partnered with Alipay to launch Yu'ebao, and it acts as the fund manager of the Tianhong Yu'ebao money market fund. In recent years, the assets under management of Tianhong Fund experienced rapid growth. Tianhong Fund, acting in its capacity as the fund manager on behalf of the mutual funds under its management, namely Tianhong Global High-End

Manufacturing Hybrid Securities Investment Fund and Tianhong Global New Energy Vehicle Stock Securities Investment Fund, both are discretionary funds and no single ultimate beneficial owner holds 30% or more interests in those funds on June 30, 2026.

Ninety One Asia

Ninety One Asia Pte. Limited ("**Ninety One Asia**") is a fund management company registered in Singapore and regulated by the Monetary Authority of Singapore ("**MAS**"). The company holds an Accredited/Institutional Licensed Fund Management Company (A/I LFMC) license, authorized to manage investment funds exclusively for accredited and institutional investors. The company focuses on asset management, with its core business being the management of equity investment funds. Ninety One Asia has a market-renowned investment team, focusing on investments in industries such as AI, TMT, consumer, healthcare, and advanced manufacturing, aiming to identify outstanding companies that transform industry business models and the most forward-thinking entrepreneurs through in-depth industry analysis and accurate grasp of emerging technology and consumer trends. Ninety One Asia serves as the discretionary investment manager for Enreal China Master Fund and Forreal China Value Fund, both of which are Great China focused long-only funds investing in Hong Kong and mainland China stock markets as well as Chinese ADRs. The ultimate beneficial owner of Enreal China Master Fund and Forreal China Value Fund holding 30% or more of its interest is a global institutional investor with several hundred billion USD in assets under management rather than an individual investor.

JPMAMAPL

JPMorgan Asset Management (Asia Pacific) Limited ("**JPMAMAPL**"), a company incorporated in Hong Kong in November 1974, has entered into a cornerstone investment agreement with the Company and the Sponsor-Overall Coordinators, in its capacity as the investment advisor or investment manager for and on behalf of the following fund(s): (i) JPMorgan China Growth and Income PLC, and (ii) certain other pooled funds, segregated accounts and mandates.

To the best of JPMAMAPL's knowledge, no single ultimate beneficial owner holds 30% or more interest in those funds.

JPMAMAPL is a wholly owned subsidiary of JPMorgan Asset Management (Asia) Inc., an investment management company, which is ultimately wholly owned by JPMorgan Chase & Co. ("**JPMC**"), which is a company organized under United States, Delaware law as a corporation that has issued shares of common stock to investors. JPMC's shares are listed on the New York Stock Exchange (stock code: JPM).

JPMAMAPL is licensed by the Securities and Futures Commission (SFC) of Hong Kong.

Barings

Baring Asset Management (Asia) Limited (霸菱資產管理(亞洲)有限公司) ("**Barings**") is a subsidiary of Barings LLC which is part of the Barings Group. Barings Group is a US$502 billion (assets under management as of June 30, 2026) global alternative asset manager that partners with institutional, insurance, and wealth clients, and supports leading businesses with flexible financing solutions. Barings LLC, a subsidiary of Massachusetts Mutual Life Insurance Company ("**MassMutual**") with a minority investment from MS&AD Insurance Group Holdings, Inc, seeks to deliver excess returns by leveraging its global scale and capabilities across credit, real assets, capital solutions and emerging markets. MassMutual is a leading mutual life insurance company that is run for the benefit of its members and participating policyowners. Founded in 1851, the company has been guided by one consistent purpose: to help people secure their future and protect the ones they love. With a focus on delivering long-term value, MassMutual offers a wide range of protection, accumulation, wealth management and retirement products and services.

Baring Asset Management (Asia) Limited 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.

KHL

Kingboard Investments Limited (建滔投資有限公司) ("**KIL**"), a company incorporated in Hong Kong, is a subsidiary of Kingboard Holdings Limited (建滔集團有限公司) ("**KHL**"). KHL has been listed on the Main Board of the Hong Kong Stock Exchange since 1993 (stock code: 148), with principal activities of its subsidiaries in the manufacture and sale of copper clad laminates ("**CCL**") and upstream CCL materials, printed circuit boards ("**PCB**"), chemicals, PVB, and magnetic products, alongside property investment, property development, and other investment business.

Leveraging close to four decades of manufacturing and supply chain management expertise, KHL has established a comprehensive and vertically integrated business model spanning across the CCL and PCB value chains. According to Prismark, KHL has been the world's largest CCL manufacturer by sales for 20 consecutive years (2005-2024). By capacity, KHL is also China's second largest producer of electronic-grade fiberglass yarn and fabric, and the largest producer of PCB-grade copper foil.

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:

(a) the underwriting agreements for the Hong Kong Public Offering and the International Offering being entered into and having become effective and unconditional (in accordance with their respective original terms or as subsequently waived or varied by agreement of the parties thereto) by no later than the time and date as specified in these underwriting agreements, and neither of the aforesaid underwriting agreements having been terminated;

(b) the Listing Committee having granted the approval for the listing of, and permission to deal in, the H Shares (including the H Shares under the Cornerstone Placing as well as other applicable waivers and approvals) and such approval, permission or waiver having not been revoked prior to the commencement of dealings in the H Shares on the Stock Exchange;

(c) no Laws shall have been enacted or promulgated by any Governmental Authority which prohibits the consummation of the transactions contemplated in the Global Offering or herein and there shall be no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions; and

(d) the agreements, representations, warranties, undertakings, confirmations and acknowledgements of the Cornerstone Investors under the respective Cornerstone Investment Agreement are (as of the date of the respective Cornerstone Investment Agreement) and will be (as of the Listing Date, and the Closing (as defined in the respective Cornerstone Investment Agreement)) accurate, true and complete in all respects and not misleading or deceptive and that there is no material breach of the respective Cornerstone Investment Agreement on the part of the relevant Cornerstone Investors.

RESTRICTIONS ON THE CORNERSTONE INVESTORS

Each of the Cornerstone Investors has agreed that without the prior written consent of our Company, the Joint Sponsors and the Sponsor-Overall Coordinators, it will not, whether directly or indirectly, at any time during the period of six months following the Listing Date (both days inclusive) (the "**Lock-up Period**"), dispose of, in any way, any of the Offer Shares it has purchased, pursuant to the respective Cornerstone Investment Agreement, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of the Cornerstone Investors, including the Lock-up Period restriction.

This section presents certain information regarding our share capital before and upon completion of the Global Offering.

AS OF THE LATEST PRACTICABLE DATE

As of the Latest Practicable Date, our share capital was RMB1,001,324,041, comprising 1,001,324,041 A Shares with a nominal value of RMB1.00 each, all of which are listed on the Shanghai Stock Exchange.

IMMEDIATELY AFTER THE COMPLETION OF THE GLOBAL OFFERING

Immediately following completion of the Global Offering, the share capital of our Company immediately following completion of the Global Offering will be as follows:

Description of Shares	Number of Shares	Approximate percentage to total share capital
		(%)
A Shares in issue	1,001,324,041	93.21
H Shares to be issued under the Global Offering	72,944,300	6.79
Total	**1,074,268,341**	**100.00**

RANKING

Upon the completion of the Global Offering, our Shares will consist of A Shares and H Shares. A Shares and H Shares are all ordinary Shares in the share capital of our Company and are regarded as the same class of Shares under the Articles of Association.

Apart from certain qualified domestic institutional investors in the PRC, the qualified PRC investors under the Shanghai-Hong Kong Stock Connect or the Shenzhen-Hong Kong Stock Connect and other persons who are entitled to hold our H Shares pursuant to relevant PRC laws and regulations or upon approvals of any competent authorities, H Shares generally cannot be subscribed for by or traded between legal or natural persons of the PRC.

A Shares and H Shares shall carry the same rights in all other respects and, in particular, will rank equally for dividends or distributions declared, paid or made. All dividends in respect of our H Shares are to be paid by us in Hong Kong dollars whereas all dividends in respect of our A Shares are to be paid by us in Renminbi. In addition to cash, dividends may also be distributed in the form of Shares. Holders of our H Shares will receive share dividends in the form of H Shares, and holders of our A Shares will receive share dividends in the form of A Shares.

NO CONVERSION OF OUR A SHARES INTO H SHARES FOR LISTING AND TRADING ON THE HONG KONG STOCK EXCHANGE

Our A Shares and our H Shares are generally neither interchangeable nor fungible, and the market prices of our A Shares and our H Shares may be different after the Global Offering. The Guidelines on Application for "Full Circulation" of Domestic Unlisted Shares of H-share Companies (《H股公司境內未上市股份申請「全流通」業務指引》announced by the CSRC are not applicable to companies dual listed in the PRC and on the Hong Kong Stock Exchange. As of the Latest Practicable Date, there were no relevant rules or guidelines from the CSRC providing that A Shareholders may convert A shares held by them into H shares for listing and trading on the Hong Kong Stock Exchange.

APPROVAL FROM HOLDERS OF A SHARES REGARDING THE GLOBAL OFFERING

Approval from holders of A Shares is required for our Company to issue H Shares and seek the listing of H Shares on the Hong Kong Stock Exchange. Such approval was obtained by us at the Shareholders' general meeting of our Company held on December 25, 2025 and is subject to the following major conditions:

(i) *Size of the offer:* The proposed number of H Shares to be offered shall not exceed approximately 10% 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 overseas institutional investors, corporations and individual investors, as well as qualified domestic institutional investors and other investors who fulfill the relevant laws and regulations.

(iv) *Price determination basis:* The Offer Price of the H Shares will be determined by the Board and/or its authorized person with the authorization of the Shareholders' general meetings, together with the Underwriters, after full consideration of the interests of existing Shareholders, investors of our Company and the conditions of domestic and international capital markets conditions with reference to the international practices, the general valuation level of the industry in which our Company operates, and through demands for orders and book-building process.

(v) *Validity period:* The issue and listing of H Shares on the Hong Kong Stock Exchange shall be completed within 24 months from the date on which such matters were approved at the Shareholders' meeting. If the Company obtains approval from the relevant regulatory authorities for the Listing and listing within the 18 months, the authorization period shall automatically be extended to the completion date of this issuance and the Listing. There are no other approved offering plans for our Shares except the Global Offering.

CIRCUMSTANCES UNDER WHICH GENERAL MEETING AND MEETING ARE REQUIRED

For details of circumstances under which our Shareholders' general meeting is required, see "Summary of Articles of Association of the Company" in Appendix III to this prospectus.

SHARE INCENTIVE SCHEMES

Certain employees of our Group are eligible for interests of our Share Option and Restricted Share Incentive Plans and in accordance with terms and provisions of the relevant share incentive schemes of our Company. For details, see "Appendix IV — Statutory and General Information — (D) Share Option and Restricted Share Incentive Plans" in this prospectus.

You should read the following discussion and analysis in conjunction with our consolidated financial statements, included in the Accountants' Report in Appendix I, together with the respective accompanying notes. Our consolidated financial information has been prepared in accordance with the International Financial Reporting Standards ("IFRSs").

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on our assumptions and analysis in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, our actual results may differ significantly from those projected in the forward-looking statements. Factors that might cause future results to differ significantly from those projected in the forward-looking statements include, but are not limited to, those discussed in "Risk Factors" and "Forward-Looking Statements" and elsewhere in this prospectus.

OVERVIEW

We are a globally recognized PCB manufacturer driven by technological development and distinguished by our broad product offerings. Our PCB provides connectivity infrastructure for global customers in automotive electronics, telecommunication and data infrastructure, smart devices, industrial control and other sectors.

With our PCB products and intelligent manufacturing capabilities, we have become a leader in the global automotive electronics PCB industry and one of the few suppliers of AI computing infrastructure core components. Our leading technical expertise and long-term oriented, high-end production capacity in high build-up HDI and HLC PCB enable us to meet the diverse needs of our global customers and seize significant growth opportunities in the AI era.

We achieved rapid revenue and profit growth in 2023, 2024 and 2025. Our revenue was RMB10,757.3 million, RMB12,659.4 million and RMB15,308.1 million in 2023, 2024 and 2025, respectively. Our gross profit was RMB2,492.3 million, RMB2,877.7 million and RMB3,304.9 million in 2023, 2024 and 2025, respectively, and our gross profit margin was 23.2%, 22.7% and 21.6% in 2023, 2024 and 2025, respectively, as the increase in raw material prices, particularly the rising price of copper, and the ramp-up of our new production bases partially offset the benefits of our revenue growth. Our profit for the year was RMB911.0 million, RMB1,160.2 million and RMB1,244.0 million in 2023, 2024 and 2025, respectively. Our revenue continued to increase to RMB5,341.4 million for the four months ended April 30, 2026 from RMB4,533.6 million for the four months ended April 30, 2025, while our gross profit increased from RMB937.4 million for the four months ended April 30, 2025 to RMB1,001.2 million for the four months ended April 30, 2026. Our gross profit margin decreased from 20.7% to 18.7% over the same periods, which was primarily due to (i) the continued increase in prices of key raw materials, in particular the sustained elevation of prices of copper clad laminates and (ii) the initial ramp-up of our new production bases, where fixed costs were absorbed over lower initial output volumes. Our profit for the period decreased to RMB316.9 million from RMB424.3 million over the same periods. We maintain healthy cash flow, with net cash from operating activities of RMB2,115.5 million, RMB2,289.6 million, RMB1,931.2 million and RMB493.4 million in 2023, 2024, 2025 and the four months ended April 30, 2026, respectively.

BASIS OF PRESENTATION

Our historical financial information has been prepared based on the accounting policies set out in Note 2.3 to the Accountants' Report in Appendix I which conform with all applicable IFRS Accounting Standards issued by the International Accounting Standards Board ("**IASB**"). In addition, our historical financial information also complies with the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Listing Rules.

The IASB has issued a number of new and revised IFRSs. For the purpose of preparing our historical financial information, we have adopted the accounting policies which conform with all applicable new and revised IFRS Accounting Standards that are effective for the accounting period commencing from January 1, 2026, consistently throughout the Track Record Period.

MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business, results of operations and financial condition are affected by a number of general factors influencing the overall performance of the industry in which we operate. These factors include macroeconomic trends, industry development and competitive landscape in the market. Any adverse development can have a negative impact on our results of operations.

In addition to these general factors, our business and results of operations have been and will continue to be affected by company-specific factors, which primarily include the following:

End-Market Dynamics and Our Market Position

Our financial performance is significantly influenced by end-market development, which is driven by their end users' preferences and product upgrades, as well as our ability to compete effectively in these markets.

Our products are designed for applications across a wide spectrum of end markets, including automotive electronics, telecommunication and data infrastructure, smart devices, industrial control and other sectors. Demand for our products stems from the performance of these markets and the commercial success of our customers' products. For example, revenue generated from the sales of automotive electronics PCB accounted for 40.7%, 45.9% and 45.4% of our total revenue in 2023, 2024 and 2025, respectively. The prevailing trend of electrification and intelligentization in the automotive industry has influenced, and will continue to impact our order intake, production capacity utilization, and working capital requirements. In addition, the continuous technological advancements, particularly the development of AI technologies, in these end markets have undergone frequent product upgrades, with PCB serving as the essential foundation in enabling and supporting these upgrades. We are required to continuously develop new and enhanced PCB to meet these evolving demands of our customers and sustain our competitive advantages.

We operate in a highly competitive market. According to CIC, we are the world's largest automotive electronics PCB manufacturer with a market share of 10.6%, and rank eleventh among all PCB providers worldwide with a market share of 2.5% by revenue in 2025. We have also become one of the few PCB suppliers for global leading AI infrastructure leaders. Our market position offers several advantages, including long-term customer relationship, favorable raw material procurement costs, early-mover benefits in new product introductions, and the ability to rapidly scale production for emerging products. Due to our market position, we are often among the first to observe emerging customer needs, which helps us stay attuned to product trends and start iterating early. Sustaining our market position and competitive edge is crucial for further enhancing our market share and financial performance.

Ability to Retain Existing Customers and Attract New Customers

Our future success and revenue growth are deeply rooted in serving a diverse blue-chip customer base across sectors, which has been a cornerstone of our achievements. As such, we are committed to retaining existing key customers through offering competitive PCB that address their requirements and empower their business success. The ability to develop and upsell compelling products is closely linked to our capability to anticipate industry trends and develop high-performance PCB, along with a comprehensive portfolio that meets the evolving demands of downstream customers across various application fields. We are also committed to joint product development with our customers to create tailor-made products, as well as to enhance loyalty and engagement.

In addition to deepening relationships with existing customers, we strive to attract and win new customers to enhance our business performance and financial results. We actively seek to expand our customer base by offering our products designed to meet customized technical requirements. Our ability to attract new customers is further influenced by our marketing and branding efforts, as well as the broader competitive landscape within the global PCB market.

Product Portfolio and Pricing

Our revenue and profitability are affected by the mix of our products. As a globally recognized PCB product manufacturer with broad product offerings, we offer a comprehensive PCB product portfolio, including single- and double-sided PCB, MLPCB, HDI PCB, FPC, MPCB and rigid-flex PCB, that have different growth momentum and margin profiles. Our product mix may evolve in response to technological changes in the industries and markets we serve.

Changes in our product mix could affect our overall gross profit margin due to variations in the gross profit margin attributable to each product type. In 2023, 2024 and 2025, our gross profit margins were 23.2%, 22.7% and 21.6%, respectively. For the four months ended April 30, 2025 and 2026, our gross profit margins were 20.7% and 18.7%, respectively. We aim to further expand our product portfolio and maintain a strong focus on high-margin product categories, especially products used in AI domain. By continuously refining our product mix and leveraging technological development, we are committed to sustaining robust financial performance and driving long-term growth. However, fluctuations in product demand, shifts in market dynamics, and evolving competitive pressure may impact our financial performance.

Our profitability is also affected by our ability to price our products, which is in turn affected by market competition, raw materials price, pricing of similar products and solutions offered by our peers and our bargaining power. As effective product pricing is critical to our results of operations, we strategically adjust prices based on market dynamics, considering factors like competition intensity to ensure the balance between growth and profitability.

Production Capacity and Manufacturing Efficiency

Our results of operations are closely tied to available production capacity, which are affected by the pace and efficiency of ramping up new production bases and the utilization rate across our existing production bases. As new facilities take time to become fully operational, initial inefficiencies, and incremental overhead absorption can temporarily depress margins and elevate unit costs until volumes scale to targeted levels. Conversely, as ramp-up milestones are met, fixed costs are spread over a larger output base, enhancing operating leverage. The technological sophistication of each production base affects both return on invested capital and margin profile. For example, in August 2025, we announced that we planned to invest additional RMB5.0 billion in the high-end production capacity expansion and upgrade of our Jinwan production base (Zhuhai City, Guangdong Province), our core hub for high-end manufacturing in HDI, SLP, and HLC products, to better serve end markets of our products. Based on our current best estimate, which remains subject to further adjustments, such expansion is expected to be completed in the last quarter of 2027. Successful ramp-up and utilization at Jinwan production base (Zhuhai City, Guangdong Province) are expected to enhance our product mix towards higher-end products and improve our overall gross profit margin.

In addition to managing our production capacity, our results of operations are also influenced by enhancing our manufacturing efficiency through the adoption of intelligent manufacturing. By integrating AI and digitalized procedure management into our operations, we aim to streamline processes, reduce waste, and improve our process yields. These innovations enable us to optimize production schedules, enhance quality control, and respond more swiftly to market demands, ultimately contributing to a more efficient and cost-effective production process.

Price Volatility of Raw Materials and Supply Chain

Our results of operations are influenced by the availability and price volatility of key raw materials used in our production, especially those made of metal commodities including copper, which together represent a significant portion of our product costs. In 2023, 2024 and 2025, raw material costs represented approximately 60.4%, 60.5% and 61.4% of our cost of sales, respectively. For the four months ended April 30, 2025 and 2026, raw material costs represented approximately 60.4% and 62.9% of our cost of sales, respectively. These raw material costs are a critical factor in determining our product pricing. However, our selling prices may not be adjusted, entirely in tandem with raw material costs, which may affect our margins and results of operations.

The prices of these materials are closely linked to international commodity markets and global supply and demand. If we encounter tight supply or sharp price increases and cannot offset them through technological improvements, process efficiencies, procurement initiatives or timely price adjustments, we may experience supply constraints or margin compression. While we seek to mitigate these risks through multi-sourcing, longer term supply arrangements, inventory planning, significant volatility could negatively impact our production efficiency, profitability and overall financial performance.

Ability to Continue to Invest in R&D

Our long-term market position is built on our sustained leadership in product innovation and technological advancements. We believe our ability to execute R&D initiatives, develop new technologies, launch new products and iterations of existing products, alongside our success in attracting and retaining top R&D talent, is essential in maintaining our market position. We work closely with our customers to ensure that our products remain aligned with their evolving needs and ahead of industry developments. This commitment allows us to deliver advanced features and superior performance, reinforcing our market position and strengthening our product upgrades, iterations and differentiations.

We have invested, and plan to continue to invest, in our R&D efforts. Our R&D expenses were RMB600.7 million, RMB757.6 million and RMB929.9 million in 2023, 2024 and 2025, respectively, accounting for 5.6%, 6.0% and 6.1%, respectively, of our revenue in the corresponding periods. For the four months ended April 30, 2025 and 2026, our R&D expenses were RMB272.3 million and RMB280.7 million, respectively, accounting for 6.0% and 5.3%, respectively, of our revenue in the corresponding periods. Specifically, the progress of our technology and product development depends largely on our R&D talents. As of April 30, 2026, our R&D team consisted of 2,582 members, representing 11.6% of total employees as of the same date. As we continue to scale and expand our operations, we intend to enhance our research and development efficiency by prioritizing high-growth application areas and successfully commercialize R&D outcomes. Our investment in R&D is also reflected by the intellectual property we own. For details, see "Business — Intellectual Property."

Foreign Exchange Fluctuations

We generated 37.5%, 38.9% and 37.2% of our total revenue from the sales of PCB to overseas markets in 2023, 2024 and 2025, respectively. For the four months ended April 30, 2025 and 2026, revenue from the sales of PCB to overseas markets accounted for 37.5% and 40.4% of our revenue, respectively. Our Company and our subsidiaries have foreign currency denominated sales, trade and bills receivables, cash and bank balances, trade and other payables and borrowings which expose us to foreign currency risk. Such foreign currencies include the U.S. dollar, Euro, Hong Kong dollar and Thai baht. Consequently, the fluctuations in foreign currency exchange rates have an impact on our consolidated financial information.

Our reporting currency is the RMB, which is our Company's functional currency. Foreign currency transactions recorded by the entities in our 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 exchange rates ruling at the end of each reporting period. Differences arising on settlement or translation of monetary items are recognized in profit or loss. In 2023, 2024 and the four months ended April 30, 2025, we recorded net foreign exchange gain of RMB32.1 million, RMB46.0 million and RMB49.7 million, respectively. We recorded net foreign exchange loss of RMB28.2 million and RMB79.7 million in 2025 and the four months ended April 30, 2026, respectively.

SEASONALITY

Demand for and sales of our products generally follow the same seasonality pattern as sales of the end products that incorporate our PCB products. For PCB products applied in AI infrastructure and automotive electronics, the seasonal pattern is less pronounced. For PCB products used in smart devices, we typically experience higher sales in the second half of the year due to the new product launch cycles of downstream end markets and increased shopping activities during the holiday season. Moreover, we typically record relatively lower sales and revenue in the first quarter due to the impact of the Spring Festival holiday.

MATERIAL ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

The preparation of the historical financial information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future. See Note 2.3 to the Accountants' Report in Appendix I to this prospectus for more details.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

The following table sets forth a summary of our results of operations in absolute amounts and as percentage of our total revenue for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)									
							(Unaudited)			
Revenue	**10,757,302**	**100.0**	**12,659,373**	**100.0**	**15,308,052**	**100.0**	**4,533,613**	**100.0**	**5,341,392**	**100.0**

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)						*(Unaudited)*			
Cost of sales	(8,264,978)	(76.8)	(9,781,688)	(77.3)	(12,003,163)	(78.4)	(3,596,235)	(79.3)	(4,340,192)	(81.3)
Gross profit	**2,492,324**	**23.2**	**2,877,685**	**22.7**	**3,304,889**	**21.6**	**937,378**	**20.7**	**1,001,200**	**18.7**
Selling and marketing expenses	(192,124)	(1.8)	(245,642)	(1.9)	(288,164)	(1.9)	(85,697)	(1.9)	(84,936)	(1.6)
Administrative expenses	(563,044)	(5.2)	(630,669)	(5.0)	(715,267)	(4.7)	(218,191)	(4.8)	(259,508)	(4.9)
Research and development expenses	(600,696)	(5.6)	(757,587)	(6.0)	(929,932)	(6.1)	(272,312)	(6.0)	(280,739)	(5.3)
Other income and gains	202,128	1.9	317,888	2.5	343,749	2.2	173,089	3.8	111,739	2.2
Other expenses	(135,833)	(1.3)	(109,138)	(0.9)	(153,336)	(1.0)	(20,073)	(0.4)	(111,517)	(2.1)
Finance costs	(147,086)	(1.4)	(114,084)	(0.9)	(77,507)	(0.5)	(26,535)	(0.6)	(32,083)	(0.6)
Share of losses of an associate	(8,139)	(0.1)	(18,014)	(0.1)	(20,049)	(0.1)	(6,099)	(0.1)	(6,260)	(0.1)
Profit before tax	**1,047,530**	**9.7**	**1,320,439**	**10.4**	**1,464,383**	**9.6**	**481,560**	**10.7**	**337,896**	**6.3**
Income tax expense	(136,501)	(1.3)	(160,231)	(1.3)	(220,365)	(1.4)	(57,275)	(1.3)	(20,977)	(0.4)
Profit for the year/period	**911,029**	**8.5**	**1,160,208**	**9.2**	**1,244,018**	**8.1**	**424,285**	**9.4**	**316,919**	**5.9**

DESCRIPTION OF MAJOR COMPONENTS OF OUR RESULTS OF OPERATIONS

Revenue

During the Track Record Period, our revenue was primarily derived from the sales of PCB. We also generate a small portion of our revenue from the sales of our production residues which contain copper in Chinese mainland. Our revenue was RMB10,757.3 million, RMB12,659.4 million and RMB15,308.1 million in 2023, 2024 and 2025, respectively, and RMB4,533.6 million and RMB5,341.4 million for the four months ended April 30, 2025 and 2026, respectively.

Breakdown by End Markets

Our products are designed for applications across a wide spectrum of end markets, including automotive electronics, smart devices, industrial control and medical devices, and telecommunication and data infrastructure sectors. Revenue in most of our end markets increased during the Track Record Period.

The following table presents a breakdown of our revenue by end markets of our products, both in absolute amounts and as percentage of our total revenue, for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentages)						*(Unaudited)*			
Sales of PCB products	**10,240,933**	**95.2**	**11,984,837**	**94.7**	**14,372,625**	**93.9**	**4,284,750**	**94.5**	**4,920,632**	**92.1**
Automotive electronics	4,374,962	40.7	5,814,180	45.9	6,952,940	45.4	2,081,155	45.9	2,357,219	44.1
Smart devices	3,258,094	30.3	3,672,758	29.0	3,705,202	24.2	1,142,521	25.2	1,051,002	19.7
Industrial control and medical devices	1,835,758	17.0	1,565,880	12.4	2,123,800	13.9	672,846	14.8	679,341	12.7
Telecommunication and data infrastructure	772,119	7.2	932,019	7.4	1,590,683	10.4	388,228	8.6	833,070	15.6
Others(1)	**516,369**	**4.8**	**674,536**	**5.3**	**935,427**	**6.1**	**248,863**	**5.5**	**420,760**	**7.9**
Total	**10,757,302**	**100.0**	**12,659,373**	**100.0**	**15,308,052**	**100.0**	**4,533,613**	**100.0**	**5,341,392**	**100.0**

Note:

(1) Mainly represent the sales of our production residues which contain copper in Chinese mainland.

The table below sets forth a breakdown of the average selling price of our PCB products by end markets for the periods indicated:

	Year Ended December 31,			Four Months Ended April 30,
	2023	2024	2025	2026
	(RMB per sq.m.)			
Automotive electronics	1,028	1,043	1,023	1,029
Smart devices	1,210	1,348	1,532	1,522
Industrial control and medical devices	958	927	981	1,005
Telecommunication and data infrastructure	1,152	1,203	1,569	2,309
Total	**1,074**	**1,114**	**1,160**	**1,224**

The average selling price of our products for automotive electronics remained relatively stable during the Track Record Period. The competitive landscape of the global automotive electronics PCB industry is relatively fragmented, with a large number of market participants competing for customers and orders, resulting in intense competition and increasing pricing pressure on PCB products. Such pricing pressure, together with rising prices of key raw materials, has placed pressure on the profitability and gross profit margins of industry participants. The Directors are of the view that (i) such pricing pressure and the rise in key raw materials had materially affected the profitability of our products for automotive electronics during the Track Record Period, which decreased from 31.1% in 2023 to 13.8% in the four months ended April 30, 2026; (ii) the gross profit margin of our products for automotive electronics is expected to improve over time as we continue to optimize our product portfolio and enhance our product competitiveness, while also managing our raw material costs through various measures, including multi-sourcing, entering into longer-term supply arrangements, inventory planning, securing higher-margin orders and gradually passing on part of the rising costs to customers; and (iii) in light of our mitigating measures as detailed above, the impact of the pricing pressure and the rise in key raw materials on our profitability and operating results is expected to be limited in the future. During the Track Record Period and up to the Latest Practicable Date, save as the material impact on the profitability of products for automotive electronics as disclosed above, the pricing pressure on the PCB products for automotive electronics had no material impact on our overall business and profitability. The average selling price of our products for smart devices increased from RMB1,210 per sq.m. in 2023 to RMB1,348 per sq.m. in 2024 and RMB1,532 per sq.m. in 2025 mainly due to the customers' product upgrade leading to a higher demand for high-priced PCB products mainly including multi-layer FPC products. The average selling price of our products for industrial control and medical devices were generally lower compared to that of our products for the other end markets during the Track Record Period mainly due to the differences in the product design, raw materials and manufacturing technology, which led to different manufacturing costs. The average selling price of our products for industrial control and medical devices decreased from RMB958 per sq.m. in 2023 to RMB927 per sq.m. in 2024 mainly due to a decrease in the average selling price of MLPCB products as the change in our customers' product mix decreased the demand for MLPCB products with relatively higher pricing, and then increased to RMB981 per sq.m. in 2025 mainly due to an increase in the sales of HDI products with relatively higher selling prices resulting from our customers' product upgrade, which then further increased to RMB1,005 per sq.m. in the four months ended April 30, 2026, mainly due to an increase in the average selling price of MLPCB products as our customers' product upgrade increased the demand for MLPCB products with relatively higher pricing. The average selling price of our products for telecommunication and data infrastructure increased from RMB1,152 per sq.m. in 2023 to RMB1,203 per sq.m. in 2024, RMB1,569 per sq.m. in 2025 and RMB2,309 per sq.m. in the four months ended April 30, 2026, mainly due to the increased revenue contribution from AI-related PCB products, which also led to the average selling price of our products for telecommunication and data infrastructure being relatively higher among the average selling prices of our products for different end markets during the Track Record Period, particularly in 2025 and the four months ended April 30, 2026. The AI-related PCB products comprise mainly MLPCB, HDI and FPC products and are part of our products for telecommunication and data infrastructure, whose revenue contribution as a percentage of our total revenue is still low while their gross profit margin and average selling price are relatively higher than those of other telecommunication and data infrastructure PCB products. Our revenue from AI-related PCB amounted to RMB0.2 million, RMB14.5 million, RMB198.2 million, RMB42.2 million and RMB267.8 million, representing 0.002%, 0.1%, 1.3%, 0.9% and 5.0% of our total revenue in 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026, respectively.

Breakdown by Product Types

We develop, manufacture and sell a comprehensive range of PCB to meet diverse customer needs, comprising: (i) RPCB including single- and double-sided PCB, MLPCB, and HDI PCB, (ii) FPC, and (iii) other PCB, including MPCB and rigid-flex PCB. During the Track Record Period, RPCB accounted for the majority of our revenue.

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

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)						*(Unaudited)*			
Sales of PCB products	**10,240,933**	**95.2**	**11,984,837**	**94.7**	**14,372,625**	**93.9**	**4,284,750**	**94.5**	**4,920,632**	**92.1**
RPCB	6,865,983	63.8	7,930,865	62.6	9,645,202	63.0	2,907,093	64.1	3,568,222	66.8
Single- and double-sided PCB	1,228,030	11.4	1,271,205	10.0	1,297,494	8.5	408,481	9.0	435,365	8.2
MLPCB	5,131,599	47.7	5,810,971	45.9	7,110,033	46.4	2,147,004	47.3	2,759,691	51.6
HDI PCB	506,354	4.7	848,689	6.7	1,237,675	8.1	351,608	7.8	373,166	7.0
FPC	2,752,799	25.6	3,447,173	27.2	4,068,978	26.6	1,195,270	26.4	1,160,951	21.7
Other PCB(1)	622,151	5.8	606,799	4.8	658,445	4.3	182,387	4.0	191,459	3.6
Others(2)	**516,369**	**4.8**	**674,536**	**5.3**	**935,427**	**6.1**	**248,863**	**5.5**	**420,760**	**7.9**
Total	**10,757,302**	**100.0**	**12,659,373**	**100.0**	**15,308,052**	**100.0**	**4,533,613**	**100.0**	**5,341,392**	**100.0**

Notes:

(1) Include MPCB and rigid-flex PCB.

(2) Mainly represent the sales of our production residues which contain copper in Chinese mainland.

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

	Year ended December 31,						Four months ended April 30,	
	2023		2024		2025		2026	
	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.)*
RPCB	**7,207,648**	**953**	**8,198,876**	**967**	**9,533,250**	**1,012**	**3,285,683**	**1,086**
– Single- and double-sided PCB	1,878,293	654	1,984,623	641	2,074,779	625	683,904	637
– MLPCB	5,068,280	1,012	5,851,790	993	7,034,296	1,011	2,482,314	1,112
– HDI PCB(1)	261,075	1,939	362,463	2,341	424,175	2,918	119,465	3,124
FPC(2)	**1,855,671**	**1,483**	**2,088,135**	**1,651**	**2,329,689**	**1,747**	**593,112**	**1,957**
Other PCB(3)	**472,403**	**1,317**	**474,341**	**1,279**	**528,518**	**1,246**	**140,238**	**1,365**
Total	**9,535,722**	**1,074**	**10,761,351**	**1,114**	**12,391,457**	**1,160**	**4,019,033**	**1,224**

Notes:

(1) The average selling price of our HDI PCB increased from RMB1,939 per sq.m. in 2023 to RMB2,341 per sq.m. in 2024, primarily due to the optimization of our HDI PCB product mix as the sales of high-priced products in the automotive electronics and telecommunication and data infrastructure sectors increased. The average selling price of our HDI PCB further increased to RMB2,918 per sq.m. in 2025, primarily because we increased sales of high-priced products to new customers in the telecommunication and data infrastructure as well as industrial control and medical devices sectors. The average selling price of our HDI PCB further increased from RMB2,918 per sq.m. in 2025 to RMB3,124 per sq.m. in the four months ended April 30, 2026 as we further optimized the product mix by introducing more high-priced products.

(2) The average selling price of our FPC increased from RMB1,483 per sq.m. in 2023 to RMB1,651 per sq.m. in 2024, primarily due to the recovery in the consumer electronics market leading to the higher demand for our FPC products. The average selling price of our FPC increased from RMB1,747 per sq.m. in 2025 to RMB1,957 per sq.m. in the four months ended April 30, 2026, primarily due to the optimized product mix with more high-priced products.

(3) Include MPCB and rigid-flex PCB.

In the course of our PCB manufacturing operations, we generate production residues, which primarily include unprocessed metal-containing waste, metal-containing waste after copper extraction processing and other miscellaneous production residues. We sell such production residues to environmental protection, recycling, resource utilization and waste treatment companies in Chinese mainland as part of our ordinary course production and resource utilization arrangements. Production residues mainly include unprocessed metal-containing waste and metal-containing waste after copper extraction processing. The sales volume of unprocessed metal-containing waste was 79,200 tons, 74,994 tons, 75,157 tons and 29,696 tons in 2023, 2024, 2025 and the four months ended April 30, 2026, respectively, and the average selling price was RMB5,421 per ton, RMB5,790 per ton, RMB6,211 per ton and RMB7,422 per ton, respectively. The sales volume of metal-containing waste after copper extraction processing was 3,368 tons, 11,385 tons, 22,688 tons and 7,555 tons in 2023, 2024, 2025 and the four months ended April 30, 2026, respectively, and the average selling price was RMB16,653 per ton, RMB17,602 per ton, RMB18,616 per ton and RMB23,272 per ton, respectively. As our PCB production volume grows, the volume of production residues generated increases, making revenue from production residues a recurring component of overall revenue and gross profit. Revenue from production residues is expected to continue growing in line with the expansion of our production scale and may also fluctuate with copper price trends. We do not have a separate strategy for production residues.

Breakdown by Geographical Locations

During the Track Record Period, we sold products in the Chinese mainland as well as to overseas markets including Europe, Asia and Americas. During the Track Record Period, we generated the majority of our revenue in the Chinese mainland.

The following table sets out a breakdown of our revenue by geographical locations, in absolute amounts and as percentage of our total revenue, for the periods indicated.

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentages)						*(Unaudited)*			
Sales of PCB products	**10,240,933**	**95.2**	**11,984,837**	**94.7**	**14,372,625**	**93.9**	**4,284,750**	**94.5**	**4,920,632**	**92.1**
Chinese mainland[1]	6,211,373	57.7	7,060,758	55.8	8,678,759	56.7	2,585,951	57.0	2,761,630	51.7
Overseas	4,029,560	37.5	4,924,079	38.9	5,693,866	37.2	1,698,799	37.5	2,159,002	40.4
Europe[2]	1,419,324	13.2	1,787,339	14.1	2,064,636	13.5	631,288	13.9	780,378	14.6
Asia (excluding the Chinese mainland)[3]	1,367,210	12.7	1,488,177	11.8	1,870,155	12.2	495,379	11.0	797,069	14.9
Bonded warehouse zones[4]	575,188	5.3	874,442	6.9	883,157	5.8	264,421	5.8	277,025	5.2
Americas[5]	622,627	5.8	732,827	5.8	834,060	5.4	294,283	6.5	292,278	5.5
Other regions[6]	45,211	0.5	41,294	0.3	41,858	0.3	13,428	0.3	12,252	0.2
Others[7]	**516,369**	**4.8**	**674,536**	**5.3**	**935,427**	**6.1**	**248,863**	**5.5**	**420,760**	**7.9**
Total	**10,757,302**	**100.0**	**12,659,373**	**100.0**	**15,308,052**	**100.0**	**4,533,613**	**100.0**	**5,341,392**	**100.0**

Notes:

(1) Excluding sales to bonded warehouse zones.

(2) mainly including Germany, Romania, Hungary, Portugal, Spain, Macedonia, Austria, Slovakia, Lithuania and France.

(3) mainly including China-Hong Kong, Vietnam, Malaysia, Singapore, India, Thailand, Japan, Philippines, China-Taiwan, South Korea, Indonesia, Israel and Cambodia, and excluding the Chinese mainland.

(4) Sales to bonded warehouse zones located in the Chinese mainland are classified as overseas sales because these transactions (i) require customs clearance procedures similar to those for cross-border exports and (ii) are exempt from PRC VAT invoicing, thereby aligning them operationally with overseas sales, notwithstanding that the relevant customers may be based within the Chinese mainland. We deliver and sell our products to bonded warehouse zones in accordance with the instructions and requirements of our customers. Certain domestic customers adopt the bonded warehouse zone arrangement primarily because it enables them to benefit from exemptions of VAT, thereby reducing their upfront cost burden and improving working capital efficiency.

(5) mainly including United States and Mexico.

(6) mainly including Morocco and Tunisia.

(7) Mainly represent the sales of our production residues which contain copper in Chinese mainland.

Cost of Sales

Our cost of sales primarily consists of (i) cost of raw materials, (ii) cost of production, which includes depreciation and amortization, utilities expenses and other related expenses and (iii) cost of labor. During the Track Record Period, cost of raw materials constituted the largest component of our cost of sales.

In 2023, 2024 and 2025, our cost of sales amounted to RMB8,265.0 million, RMB9,781.7 million and RMB12,003.2 million, respectively, accounting for 76.8%, 77.3% and 78.4%, respectively, of our revenue in the corresponding periods. For the four months ended April 30, 2025 and 2026, our cost of sales amounted to RMB3,596.2 million and RMB4,340.2 million, respectively, accounting for 79.3% and 81.3%, respectively, of our revenue in the corresponding periods. The following table sets forth our cost of sales breakdown by nature in absolute amounts and as percentage of our total cost of sales for the periods indicated.

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)						(Unaudited)			
Cost of raw materials	4,995,257	60.4	5,919,158	60.5	7,359,037	61.4	2,171,688	60.4	2,729,291	62.9
Cost of production	1,972,254	23.9	2,337,336	23.9	2,724,292	22.7	827,817	23.0	923,476	21.3
Cost of labor	1,263,109	15.3	1,477,738	15.1	1,853,819	15.4	576,759	16.0	663,954	15.3
Others	34,358	0.4	47,456	0.5	66,015	0.5	19,971	0.6	23,471	0.5
Total	**8,264,978**	**100.0**	**9,781,688**	**100.0**	**12,003,163**	**100.0**	**3,596,235**	**100.0**	**4,340,192**	**100.0**

Gross Profit and Gross Profit Margin

Our gross profit represents our revenue less our cost of sales, and our gross margin represents gross profit divided by our revenue, expressed as a percentage. In 2023, 2024 and 2025, we had gross profit of RMB2,492.3 million, RMB2,877.7 million and RMB3,304.9 million, respectively. For the four months ended April 30, 2025 and 2026, we had gross profit of RMB937.4 million and RMB1,001.2 million, respectively. In 2023, 2024 and 2025, our gross profit margin was 23.2%, 22.7% and 21.6%, respectively. For the four months ended April 30, 2025 and 2026, our gross profit margin was 20.7% and 18.7%, respectively.

The following table sets forth our gross profit and gross profit margin breakdown by end-markets for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	(RMB in thousands, except for percentage)						(Unaudited)			
Sales of PCB products	**2,010,313**	**19.6%**	**2,250,605**	**18.8%**	**2,435,477**	**16.9%**	**708,486**	**16.5%**	**603,911**	**12.3%**
Automotive electronics	1,359,707	31.1%	1,606,690	27.6%	1,536,464	22.1%	478,890	23.0%	324,819	13.8%
Smart devices	296,791	9.1%	322,112	8.8%	433,628	11.7%	75,294	6.6%	99,821	9.5%
Industrial control and medical devices	318,004	17.3%	239,889	15.3%	253,918	12.0%	91,338	13.6%	53,855	7.9%
Telecommunication and data infrastructure	35,812	4.6%	81,913	8.8%	211,465	13.3%	59,069	15.2%	125,415	15.1%
Others[(1)]	**482,011**	**93.3%**	**627,080**	**93.0%**	**869,412**	**92.9%**	**228,892**	**92.0%**	**397,289**	**94.4%**
Total	**2,492,324**	**23.2%**	**2,877,685**	**22.7%**	**3,304,889**	**21.6%**	**937,378**	**20.7%**	**1,001,200**	**18.7%**

Note:

(1) Mainly represent the sales of our production residues which contain copper in Chinese mainland.

Automotive Electronics

The gross profit margin of automotive electronics decreased from 31.1% in 2023 to 27.6% in 2024, primarily due to (i) the increase in prices of key raw materials, and (ii) the ramp-up of new production bases. The competitive landscape of the global automotive electronics PCB industry is relatively fragmented, with a large number of market participants competing for customers and orders, resulting in intense competition and increasing pricing pressure on PCB products. The gross profit margin of automotive electronics further decreased from 27.6% in 2024 to 22.1% in 2025, primarily due to (i) the continued increase in prices of raw materials, (ii) the ramp-up of new production bases, and (iii) the intensified competition in the automotive electronics industry. The gross profit margin of automotive electronics decreased from 23.0% for the four months ended April 30, 2025 to 13.8% for the same period in 2026, primarily due to (i) the continued increase in prices of key raw materials, in particular the sustained elevation of prices of copper clad laminates, and (ii) the initial ramp-up of new production bases, where fixed costs were absorbed over lower initial output volumes.

The gross profit margin of our products for automotive electronics was generally higher than that of our products for the other end markets during the Track Record Period except that in the four months ended April 30, 2026, it was lower than the gross profit margin of our products for telecommunication and data infrastructure resulting from the rise in raw material prices and the initial ramp-up of new production bases as detailed above. The relatively higher gross profit margin of our products for automotive electronics was mainly due to relatively higher customer loyalty and stickiness in light of the stringent quality requirements on PCB products used for automotive electronics.

Moreover, the gross profit of our products for automotive electronics was generally higher than that of our products for the other end markets during the Track Record Period due to its relatively higher gross profit margin as detailed above and relatively higher revenue contribution resulting from our significant competitive edges and extensive customer base in this area.

Smart Devices

The gross profit margin of smart devices remained relatively stable, decreasing slightly from 9.1% in 2023 to 8.8% in 2024. Despite the increase in average selling price from RMB1,210 per sq.m. to RMB1,348 per sq.m. driven by customers' product upgrades leading to higher demand for high-priced multi-layer FPC products, the margin improvement was offset by the general increase in raw material prices during the period. The gross profit margin of smart devices increased from 8.8% in 2024 to 11.7% in 2025, primarily driven by product mix optimization. The average selling price further increased from RMB1,348 per sq.m. to RMB1,532 per sq.m. mainly due to customers' product upgrades leading to a higher demand for high-priced PCB products, mainly including multi-layer FPC products. The gross profit margin of FPC improved from 10.4% in 2024 to 14.6% in 2025, primarily driven by product mix optimization. The gross profit margin of smart devices increased from 6.6% for the four months ended April 30, 2025 to 9.5% for the same period in 2026, primarily driven by product mix optimization. FPC gross profit margin increased from 10.1% to 16.0% over the same period, primarily driven by product mix optimization.

Industrial Control and Medical Devices

The gross profit margin of industrial control and medical devices decreased from 17.3% in 2023 to 15.3% in 2024, primarily due to (i) the increase in raw material prices and ramp-up of new production bases, and (ii) the decrease in average selling price from RMB958 per sq.m. to RMB927 per sq.m., mainly attributable to a decrease in the average selling price of MLPCB products. The gross profit margin of industrial control and medical devices further decreased from 15.3% in 2024 to 12.0% in 2025, primarily due to the continued increase in prices of raw materials and the ramp-up of new production bases. Although revenue increased by 35.6% mainly attributable to increased orders from certain key customers in the industrial control industry, the cost pressure outweighed the benefit of revenue growth. The gross profit margin of industrial control and medical devices decreased from 13.6% for the four months ended April 30, 2025 to 7.9% for the same period in 2026, primarily due to (i) the continued increase in prices of key raw materials, in particular the sustained elevation of prices of copper clad laminates, and (ii) the initial ramp-up of new production bases, where fixed costs were absorbed over lower initial output volumes.

Telecommunication and Data Infrastructure

The gross profit margin of telecommunication and data infrastructure increased from 4.6% in 2023 to 8.8% in 2024, primarily due to higher production volume which led to improved utilization of the production capacity. Notably, the gross profit margin of HDI PCB increased from 1.5% in

2023 to 12.0% in 2024, primarily because of higher production volume and improved capacity utilization. The gross profit margin of telecommunication and data infrastructure further increased from 8.8% in 2024 to 13.3% in 2025, primarily driven by the increased revenue contribution from AI-related PCB products, which have relatively higher gross profit margins and average selling prices compared to other telecommunication and data infrastructure PCB products. The average selling price increased from RMB1,203 per sq.m. in 2024 to RMB1,569 per sq.m. in 2025, mainly due to the increased revenue contribution from AI-related PCB products. Revenue from AI-related PCB increased from RMB14.5 million, representing 0.1% of total revenue, in 2024 to RMB198.2 million, representing 1.3% of total revenue, in 2025. Additionally, HDI PCB gross profit margin improved from 12.0% to 20.8%, primarily due to higher production volume and improved capacity utilization. The gross profit margin of telecommunication and data infrastructure remained largely stable at 15.2% for the four months ended April 30, 2025 and 15.1% for the same period in 2026. Despite a significant increase in revenue of 114.6% driven by the surge in AI infrastructure investments, and the average selling price increasing substantially to RMB2,309 per sq.m., the margin benefit from the increased contribution of higher-margin AI-related PCB products was offset by the continued increase in raw material prices and initial ramp-up costs of new production bases. Revenue from AI-related PCB increased from RMB42.2 million, representing 0.9% of total revenue, to RMB267.8 million, representing 5.0% of total revenue.

The following table sets forth our gross profit and gross profit margin breakdown by product types for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	(RMB in thousands, except for percentage)						*(Unaudited)*			
Sales of PCB products	**2,010,313**	**19.6%**	**2,250,605**	**18.8%**	**2,435,477**	**16.9%**	**708,486**	**16.5%**	**603,911**	**12.3%**
RPCB	1,542,286	22.5%	1,729,528	21.8%	1,706,899	17.7%	546,786	18.8%	383,591	10.8%
Single- and double-sided PCB	372,887	30.4%	362,501	28.5%	301,440	23.2%	90,778	22.2%	69,823	16.0%
MLPCB	1,162,022	22.6%	1,264,829	21.8%	1,148,380	16.2%	386,089	18.0%	268,372	9.7%
HDI PCB	7,377	1.5%	102,198	12.0%	257,079	20.8%	69,919	19.9%	45,396	12.2%
FPC	297,872	10.8%	358,579	10.4%	593,227	14.6%	120,645	10.1%	186,108	16.0%
Other PCB(1)	170,155	27.3%	162,498	26.8%	135,351	20.6%	41,055	22.5%	34,212	17.9%
Others(2)	**482,011**	**93.3%**	**627,080**	**93.0%**	**869,412**	**92.9%**	**228,892**	**92.0%**	**397,289**	**94.4%**
Total	**2,492,324**	**23.2%**	**2,877,685**	**22.7%**	**3,304,889**	**21.6%**	**937,378**	**20.7%**	**1,001,200**	**18.7%**

Notes:

(1) Include MPCB and rigid-flex PCB.

(2) Mainly represent the sales of our production residues which contain copper in Chinese mainland.

The following table sets forth our gross profit and gross profit margin breakdown by sales channel for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	(RMB in thousands, except for percentage)						*(Unaudited)*			
Direct sales	2,373,974	23.1%	2,750,165	22.8%	3,193,628	21.7%	900,340	20.7%	979,994	19.0%
Sales to trading partners	118,350	24.4%	127,520	22.2%	111,261	19.8%	37,038	19.8%	21,206	11.4%
Total	**2,492,324**	**23.2%**	**2,877,685**	**22.7%**	**3,304,889**	**21.6%**	**937,378**	**20.7%**	**1,001,200**	**18.7%**

The following table sets forth our gross profit and gross profit margin breakdown by geographical locations for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	(RMB in thousands, except for percentage)						*(Unaudited)*			
Sales of PCB products	**2,010,313**	**19.6%**	**2,250,605**	**18.8%**	**2,435,477**	**16.9%**	**708,486**	**16.5%**	**603,911**	**12.3%**
Chinese mainland	595,701	9.6%	695,736	9.9%	840,616	9.7%	228,869	8.9%	220,332	8.0%
Overseas	1,414,612	35.1%	1,554,869	31.6%	1,594,861	28.0%	479,617	28.2%	383,579	17.8%
Others[1]	**482,011**	**93.3%**	**627,080**	**93.0%**	**869,412**	**92.9%**	**228,892**	**92.0%**	**397,289**	**94.4%**
Total	**2,492,324**	**23.2%**	**2,877,685**	**22.7%**	**3,304,889**	**21.6%**	**937,378**	**20.7%**	**1,001,200**	**18.7%**

Note:

(1) Mainly represent the sales of our production residues, which contain copper in Chinese mainland.

Overall, we have consistently achieved higher gross profit margins overseas than in the Chinese mainland market, primarily because our products command higher prices in those markets. Overseas markets generally place a higher premium on advanced technologies and product quality and are less saturated competitively, leading to stronger customer willingness to pay for reliable, technologically sophisticated products. As a result, we benefit from greater pricing flexibility and more favorable terms.

The gross profit of others was RMB482.0 million, RMB627.1 million, RMB869.4 million, RMB228.9 million and RMB397.3 million in 2023, 2024 and 2025 and four months ended April 30, 2025 and 2026, respectively. Others mainly represent the sales of our production residues. The increase in gross profit from production residues during the relevant periods was primarily driven by the rise in copper prices and the expansion of our production scale. Production residues are an inherent and unavoidable output of our PCB manufacturing process. As copper and other metals are etched, plated and processed during PCB fabrication, metal-bearing waste materials are necessarily generated at each stage of production. As our PCB production volume grows, the volume of production residues generated increases proportionally, making revenue from production residues a recurring component of our overall revenue and gross profit. The high gross profit margin of others reflects the nature of our production residues as by-products of our PCB manufacturing operations that incur minimal incremental production costs. Specifically, the costs attributable to production residues consist only of a small portion of preliminary copper extraction and processing costs, including chemicals, labor, depreciation and electricity. The principal production costs incurred in the PCB manufacturing process, such as raw materials, depreciation and labor, are allocated to our finished PCB products and recorded as cost of revenues under our core business rather than being attributed to production residues. The gross profit margin of others remained stable at 93.3%, 93.0% and 92.9% in 2023, 2024 and 2025, respectively. The gross profit margin of others increased from 92.0% in the four months ended April 30, 2025 to 94.4% in the same period in 2026, primarily because the unit selling price of production residues increased while the unit processing cost remained relatively stable.

Selling and Marketing Expenses

During the Track Record Period, our selling and marketing expenses primarily consisted of (i) employee costs, (ii) promotional expenses, (iii) insurance costs and (iv) others. Our selling and marketing expenses amounted to RMB192.1 million, RMB245.6 million and RMB288.2 million in 2023, 2024 and 2025, respectively, accounting for 1.8%, 1.9% and 1.9%, respectively, of our revenue in the corresponding periods. For the four months ended April 30, 2025 and 2026, our selling and marketing expenses amounted to RMB85.7 million and RMB84.9 million, respectively, accounting for 1.9% and 1.6%, respectively, of our revenue in the corresponding periods.

The following table sets forth a breakdown of our selling and marketing expenses in absolute amounts and as percentage of our total selling and marketing expenses for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)									
							(Unaudited)			
Employee costs	97,536	50.8	131,211	53.4	155,203	53.9	48,769	56.9	45,459	53.5
Promotional expenses[1]	49,856	26.0	63,020	25.7	70,555	24.5	18,612	21.7	20,151	23.7
Insurance costs[2]	21,804	11.3	26,548	10.8	35,097	12.2	10,317	12.0	11,290	13.3
Others[3]	22,928	11.9	24,863	10.1	27,309	9.5	7,999	9.4	8,036	9.5
Total	**192,124**	**100.0**	**245,642**	**100.0**	**288,164**	**100.0**	**85,697**	**100.0**	**84,936**	**100.0**

Notes:

(1) Primarily include sales commission and other expenses.

(2) Represent credit insurance costs we paid on our trade receivables due from our customers and product liability insurance costs, which are incurred to facilitate sales, safeguard customer receivables, and manage market-related product risks.

(3) Primarily include depreciation and amortization, transportation costs, travel expenses and other expenses.

Administrative Expenses

During the Track Record Period, our administrative expenses primarily consisted of (i) employee costs; (ii) depreciation and amortization; (iii) tax and surcharges and (iv) others. Our administrative expenses amounted to RMB563.0 million, RMB630.7 million and RMB715.3 million in 2023, 2024 and 2025, respectively, accounting for 5.2%, 5.0% and 4.7%, respectively, of our revenue in the corresponding periods. For the four months ended April 30, 2025 and 2026, our administrative expenses amounted to RMB218.2 million and RMB259.5 million, respectively, accounting for 4.8% and 4.9%, respectively, of our revenue in the corresponding periods.

The following table sets forth a breakdown of our administrative expenses in absolute amounts and as a percentage of our total administrative expenses for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)									
							(Unaudited)			
Employee costs	331,159	58.8	384,674	61.0	423,494	59.2	139,657	64.0	161,212	62.1
Depreciation and amortization	64,679	11.5	81,172	12.9	90,788	12.7	27,129	12.4	34,691	13.4
Tax and surcharges[1]	72,034	12.8	75,115	11.9	73,212	10.2	20,575	9.4	25,728	9.9
Others[2]	95,172	16.9	89,708	14.2	127,773	17.9	30,830	14.2	37,877	14.6
Total	**563,044**	**100.0**	**630,669**	**100.0**	**715,267**	**100.0**	**218,191**	**100.0**	**259,508**	**100.0**

Notes:

(1) Primarily include urban maintenance and construction tax, education surtax and property taxes.

(2) Primarily include office overheads, professional service fees, travelling expenses, and other expenses.

Research & Development Expenses

During the Track Record Period, our research and development expenses primarily consisted of (i) employee costs, (ii) materials and utilities expenses and (iii) others. Our research and development expenses amounted to RMB600.7 million, RMB757.6 million and RMB929.9 million in 2023, 2024 and 2025, respectively, accounting for 5.6%, 6.0% and 6.1%, respectively, of our revenue in the corresponding periods. Our research and development expenses amounted to RMB272.3 million and RMB280.7 million for the four months ended April 30, 2025 and 2026, respectively, accounting for 6.0% and 5.3%, respectively, of our revenue in the corresponding periods.

The following table sets forth a breakdown of our research and development expenses in absolute amounts and as percentages of our total research and development expenses for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)						*(Unaudited)*			
Employee costs	248,155	41.3	315,111	41.6	394,913	42.5	120,167	44.1	124,052	44.2
Materials and utilities expenses	283,644	47.2	374,398	49.4	465,364	50.0	129,351	47.5	132,395	47.2
Others[(1)]	68,897	11.5	68,078	9.0	69,655	7.5	22,794	8.4	24,292	8.6
Total	**600,696**	**100.0**	**757,587**	**100.0**	**929,932**	**100.0**	**272,312**	**100.0**	**280,739**	**100.0**

Note:

(1) Primarily include depreciation and amortization, travel expenses and other expenses.

Other Income and Gains

During the Track Record Period, our other income and gains mainly consisted of (i) government grants, (ii) interest income, (iii) gains on foreign exchange differences, (iv) fair value gains on financial assets at fair value through profit or loss, and (v) others. 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 GDP 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. Our other income and gains amounted to RMB202.1 million, RMB317.9 million and RMB343.7 million in 2023, 2024 and 2025, respectively, and RMB173.1 million and RMB111.7 million for the four months ended April 30, 2025 and 2026, respectively.

The following table sets forth a breakdown of our other income and gains in absolute amounts and as percentage of our total other income and gains for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2023		2024		2025		2025		2026	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)						*(Unaudited)*			
Government grants	124,312	61.5	212,852	67.0	144,197	42.0	55,185	32.0	18,474	16.5
Interest income	31,257	15.5	48,285	15.2	41,660	12.1	8,537	4.9	12,276	11.0
Gains on foreign exchange differences	32,101	15.9	45,976	14.5	–	–	49,735	28.7	–	–
Fair value gains on financial assets at fair value through profit or loss	9,482	4.7	6,339	2.0	153,811	44.7	59,206	34.2	80,085	71.7
Others	4,976	2.4	4,436	1.3	4,081	1.2	426	0.2	904	0.8
Total	**202,128**	**100.0**	**317,888**	**100.0**	**343,749**	**100.0**	**173,089**	**100.0**	**111,739**	**100.0**

Other Expenses

During the Track Record Period, our other expenses primarily consisted of (i) fair value losses on derivative financial instruments, (ii) impairment losses on financial assets, net, (iii) loss on disposal of items of property, plant and equipment, (iv) write-down of inventories to net realisable value, (v) impairment of property, plant and equipment, and (vi) others. We recorded other expenses of RMB135.8 million, RMB109.1 million and RMB153.3 million in 2023, 2024 and 2025, respectively, and RMB20.1 million and RMB111.5 million for the four months ended April 30, 2025 and 2026, respectively. Our other expenses decreased by RMB26.7 million, or 19.7%, from RMB135.8 million in 2023 to RMB109.1 million in 2024, mainly due to decreased fair value losses on derivative financial instruments and impairment of property, plant and equipment, partially offset by the increased impairment losses on financial assets. Our other expenses increased significantly by RMB44.2 million, or 40.5%, from RMB109.1 million in 2024 to RMB153.3 million in 2025, primarily due to foreign exchange losses (as compared to foreign exchange gains in 2024), increased non-operating expenses and provision of inventories. For the four months ended April 30, 2026, our other expenses increased by RMB91.4 million, or 454.7%, from RMB20.1 million for the four months ended April 30, 2025 to RMB111.5 million for the four months ended April 30, 2026, mainly attributable to net foreign exchange losses of RMB79.7 million recorded in the four months ended April 30, 2026, as compared to net foreign exchange gains of RMB49.7 million in the same period in 2025, resulting from the appreciation of Renminbi against the U.S. dollar and other major foreign currencies in which we have monetary assets denominated.

Finance Costs

During the Track Record Period, our finance costs primarily included interest on bank borrowings, convertible bonds and lease liabilities. Our finance costs amounted to RMB147.1 million, RMB114.1 million and RMB77.5 million in 2023, 2024 and 2025, respectively, and RMB26.5 million and RMB32.1 million for the four months ended April 30, 2025 and 2026, respectively.

Income Tax Expense

During the Track Record Period, we recorded income tax expense of RMB136.5 million, RMB160.2 million and RMB220.4 million in 2023, 2024 and 2025, respectively, and RMB57.3 million and RMB21.0 million for the four months ended April 30, 2025 and 2026, respectively.

Chinese Mainland

We are subject to income tax on an entity basis on profits arising in or derived from tax jurisdictions in which members of our Group are domiciled and operate. Under the Corporate Income Tax Law of PRC (the "**CIT Law**") and Implementation Regulation of the CIT Law, the CIT rate of our PRC subsidiaries is 25%, while our Company and some of our PRC subsidiaries are qualified as high and new technology enterprises or small and micro businesses and entitled to a preferential tax rate of 15% or 20% during the Track Record Period. See Note 10 to the Accountants' Report in Appendix I to this prospectus for more details.

Hong Kong

The first HK$2.0 million of assessable profits of a subsidiary in Hong Kong are taxed at 8.25% and the remaining assessable profits are taxed at 16.5% for the Track Record Period.

Thailand

The subsidiary incorporated in Thailand was subject to the 20% tax rate of assessable profits during the Track Record.

Other Overseas Areas

Our other overseas subsidiaries are subject to income tax at rates ranging from 4.25% to 23.2% during the Track Record Period.

During the Track Record Period and up to the Latest Practicable Date, we did not have any material dispute with any tax authority.

Profit for the Year

As a result of the foregoing, during the Track Record Period, our profit for the year/period amounted to RMB911.0 million, RMB1,160.2 million and RMB1,244.0 million in 2023, 2024 and 2025, respectively, and RMB424.3 million and RMB316.9 million for the four months ended April 30, 2025 and 2026, respectively.

PERIOD-TO-PERIOD COMPARISON

Four Months Ended April 30, 2026 Compared with Four Months Ended April 30, 2025

Revenue

Revenue increased by RMB807.8 million, or 17.8%, from RMB4,533.6 million for the four months ended April 30, 2025 to RMB5,341.4 million for the four months ended April 30, 2026. The increase was driven by revenue growth in both Chinese mainland and outside Chinese mainland markets, and by growth in both PCB products and production residues.

By End Markets

Automotive Electronics

Revenue from the sales of automotive electronics PCB increased by RMB276.0 million, or 13.3%, from RMB2,081.2 million for the four months ended April 30, 2025 to RMB2,357.2 million for the four months ended April 30, 2026, which was mainly attributable to the increased orders driven by the prevailing trend of electrification and intelligentization in the automotive industry, as well as our continuous efforts in expanding market share.

Smart Devices

Revenue from the sales of smart device PCB decreased by RMB91.5 million, or 8.0%, from RMB1,142.5 million for the four months ended April 30, 2025 to RMB1,051.0 million for the four months ended April 30, 2026, which was primarily attributable to changes in downstream demand from smart device customers.

Industrial Control and Medical Devices

Revenue from the sales of industrial control and medical devices PCB remained relatively stable at RMB672.8 million and RMB679.3 million for the four months ended April 30, 2025 and 2026, respectively.

Telecommunication and Data Infrastructure

Revenue from sales of telecommunication and data infrastructure PCB increased by RMB444.9 million, or 114.6%, from RMB388.2 million for the four months ended April 30, 2025 to RMB833.1 million for the four months ended April 30, 2026, which was mainly attributable to the increased orders from end customers supported by the surge in AI infrastructure investments where PCB products serve a critical role.

Others

Revenue from the sales of our production residues increased by RMB171.9 million, or 69.1%, from RMB248.9 million for the four months ended April 30, 2025 to RMB420.8 million for the four months ended April 30, 2026, which was mainly attributable to the increase in our production volume during the same period and, to a lesser extent, the increase in copper prices. The average copper price increased from US$9,944.9 per ton in 2025 to US$12,855.8 per ton for the four months ended April 30, 2026, representing an increase of US$2,910.9 per ton, or approximately 29.3%. The average copper price also increased from US$9,304.7 per ton for the four months ended April 30, 2025 to US$12,855.8 per ton for the four months ended April 30, 2026, representing an increase of US$3,551.1 per ton, or approximately 38.2%.

By Product Types

RPCB

Revenue from the sales of RPCB increased by RMB661.1 million, or 22.7%, from RMB2,907.1 million for the four months ended April 30, 2025 to RMB3,568.2 million for the four months ended April 30, 2026, which was mainly attributable to the increased downstream orders and our expanded production capacity, in particular the increase in orders for AI-related applications.

FPC

Revenue from the sales of FPC decreased by RMB34.3 million, or 2.9%, from RMB1,195.3 million for the four months ended April 30, 2025 to RMB1,161.0 million for the four months ended April 30, 2026, which was primarily attributable to the decreased orders from downstream smart device customers.

Other PCB

Revenue from the sales of other PCB remained relatively stable at RMB182.4 million and RMB191.5 million for the four months ended April 30, 2025 and 2026, respectively.

Others

Revenue from the sales of our production residues increased by RMB171.9 million, or 69.1%, from RMB248.9 million for the four months ended April 30, 2025 to RMB420.8 million for the four months ended April 30, 2026, which was mainly attributable to the increase in our production volume during the same period.

Cost of Sales

Cost of sales increased by RMB744.0 million, or 20.7%, from RMB3,596.2 million for the four months ended April 30, 2025 to RMB4,340.2 million for the four months ended April 30, 2026, which was generally in line with the increase in our revenue during the same period and was also driven by the increase in raw materials prices. Cost of raw materials increased by RMB557.6 million, or 25.7%, from RMB2,171.7 million for the four months ended April 30, 2025 to RMB2,729.3 million for the four months ended April 30, 2026. Cost of production increased by RMB95.7 million, or 11.6%, from RMB827.8 million for the four months ended April 30, 2025 to RMB923.5 million for the four months ended April 30, 2026. Cost of labor increased by RMB87.2 million, or 15.1%, from RMB576.8 million for the four months ended April 30, 2025 to RMB664.0 million for the four months ended April 30, 2026.

Gross Profit and Gross Profit Margin

Gross profit increased by RMB63.8 million, or 6.8%, from RMB937.4 million for the four months ended April 30, 2025 to RMB1,001.2 million for the four months ended April 30, 2026, which was generally in line with the increase in our revenue during the same period. The increase in gross profit from the sales of production residues has offset the decrease in gross profit from the sales of PCB products during the same period. Gross profit from the sales of production residues increased by RMB168.4 million, or 73.6%, from RMB228.9 million for the four months ended April 30, 2025 to RMB397.3 million for the four months ended April 30, 2026, while gross profit from the sales of PCB products decreased by RMB104.6 million from RMB708.5 million to RMB603.9 million over the same period. The gross profit margin decreased from 20.7% for the four months ended April 30, 2025 to 18.7% for the four months ended April 30, 2026, primarily due to (i) the continued increase in prices of key raw materials, in particular the sustained elevation of prices of copper clad laminates, and (ii) the initial ramp-up of our new production bases, where fixed costs were absorbed over lower initial output volumes. Such decrease was partially offset by the increase in gross profit margin from the sales of production residues from 92.0% for the four months ended April 30, 2025 to 94.4% for the four months ended April 30, 2026. The increase in gross profit margin from the sales of production residues was mainly attributable to increases in copper prices, which increased from US$9,944.9 per ton in 2025 to US$12,855.8 per ton for the four months ended April 30, 2026, representing an increase of US$2,910.9 per ton, or approximately 29.3%. The average copper price also increased from US$9,304.7 per ton for the four months ended April 30, 2025 to US$12,855.8 per ton for the four months ended April 30, 2026, representing an increase of US$3,551.1 per ton, or approximately 38.2%. The rise in copper prices led to the increases in the average selling prices of our production residues. For the four months ended April 30, 2026, the average selling price of our unprocessed metal-containing waste increased by 28.1% to RMB7,422 per ton from RMB5,795 per ton in the same period of 2025, and the average selling price of our metal-containing waste after copper extraction processing increased by 31.5% to RMB23,272 per ton from RMB17,698 per ton in the same period of 2025. By contrast, our unit processing cost for production residues remained relatively stable, which alongside the rise in the average selling prices, led to the increase in gross profit margin from the sales of production residues.

RPCB

Gross profit from the sales of RPCB was RMB546.8 million and RMB383.6 million for the four months ended April 30, 2025 and 2026, respectively. The gross profit margin of the sales of single- and double-sided PCB and the sales of MLPCB was 22.2% and 18.0% for the four months ended April 30, 2025, respectively, and 16.0% and 9.7% for the four months ended April 30, 2026, respectively, primarily because raw material prices increased. The gross profit margin of sales of HDI PCB was 19.9% for the four months ended April 30, 2025 and 12.2% for the four months ended April 30, 2026, primarily because the high-end production capacity ramped up during the period.

FPC

Gross profit from the sales of FPC increased by RMB65.5 million, or 54.3%, from RMB120.6 million for the four months ended April 30, 2025 to RMB186.1 million for the four months ended April 30, 2026. The gross profit margin of the sales of FPC was 10.1% for the four months ended April 30, 2025 and 16.0% for the four months ended April 30, 2026, primarily driven by product mix optimization.

Other PCB

Gross profit from the sales of other PCB was RMB41.1 million and RMB34.2 million for the four months ended April 30, 2025 and 2026, respectively. The gross profit margin was 22.5% for the four months ended April 30, 2025 and 17.9% for the four months ended April 30, 2026, primarily due to increased raw material prices.

Others

Gross profit from the sales of our production residues increased by RMB168.4 million, or 73.6%, from RMB228.9 million for the four months ended April 30, 2025 to RMB397.3 million for the four months ended April 30, 2026. The gross profit margin increased slightly from 92.0% for the four months ended April 30, 2025 to 94.4% for the four months ended April 30, 2026, primarily because the unit selling price of production residues increased while the unit processing cost remained relatively stable.

Selling and Marketing Expenses

Selling and marketing expenses decreased by RMB0.8 million, or 0.9%, from RMB85.7 million for the four months ended April 30, 2025 to RMB84.9 million for the four months ended April 30, 2026, which was primarily attributable to the decrease in employee costs by RMB3.3 million, or 6.8%, from RMB48.8 million to RMB45.5 million, resulting from the expiry of share-based payment arrangements, partially offset by increased insurance costs and promotional expenses in line with our business growth.

Administrative Expenses

Administrative expenses increased by RMB41.3 million, or 18.9%, from RMB218.2 million for the four months ended April 30, 2025 to RMB259.5 million for the four months ended April 30, 2026, which was mainly attributable to the increase in employee costs by RMB21.5 million, or 15.4%, from RMB139.7 million to RMB161.2 million, resulting from the increased number of administrative employees for our production capacity expansion during the same period, as certain new production facilities were in the preparation stage.

Research and Development Expenses

Research and development expenses increased by RMB8.4 million, or 3.1%, from RMB272.3 million for the four months ended April 30, 2025 to RMB280.7 million for the four months ended April 30, 2026, which was mainly attributable to our continued investment in the R&D of high-end products, which led to (i) the increase in employee costs by RMB3.9 million, or 3.2%, from RMB120.2 million to RMB124.1 million, and (ii) the increase in materials and utilities expenses by RMB3.0 million, or 2.3%, from RMB129.4 million to RMB132.4 million.

Other Income and Gains

Other income and gains decreased by RMB61.4 million, or 35.5%, from RMB173.1 million for the four months ended April 30, 2025 to RMB111.7 million for the four months ended April 30, 2026. The decrease was mainly attributable to (i) a decrease in government grants by RMB36.7 million from RMB55.2 million to RMB18.5 million and (ii) the absence of gains on foreign exchange differences for the four months ended April 30, 2026, as compared to RMB49.7 million for the four months ended April 30, 2025, partially offset by an increase in fair value gains on financial assets at fair value through profit or loss by RMB20.9 million from RMB59.2 million to RMB80.1 million.

Other Expenses

Other expenses increased by RMB91.4 million, or 454.7%, from RMB20.1 million for the four months ended April 30, 2025 to RMB111.5 million for the four months ended April 30, 2026, mainly attributable to foreign exchange loss of RMB79.7 million in the four months ended April 30, 2026.

Finance Costs

Finance costs increased by RMB5.6 million, or 21.1%, from RMB26.5 million for the four months ended April 30, 2025 to RMB32.1 million for the four months ended April 30, 2026, mainly attributable to the increase in interest on bank loans and other loans from RMB26.4 million to RMB31.8 million during the same periods.

Share of Losses of an Associate

Share of losses of an associate remained relatively stable at RMB6.1 million and RMB6.3 million for the four months ended April 30, 2025 and 2026, respectively.

Profit before Tax

Profit before tax decreased by RMB143.7 million, or 29.8%, from RMB481.6 million for the four months ended April 30, 2025 to RMB337.9 million for the four months ended April 30, 2026.

Income Tax Expense

Income tax expense decreased by RMB36.3 million, or 63.4%, from RMB57.3 million for the four months ended April 30, 2025 to RMB21.0 million for the four months ended April 30, 2026, primarily due to the decrease in the profit before tax, together with a decrease in deferred income tax expense following the recognition of deferred tax assets on Zhuhai Kinwong Flexible's prior-year deductible tax losses.

Profit for the Period

As a result of the foregoing, our profit for the period decreased by RMB107.4 million, or 25.3%, from RMB424.3 million for the four months ended April 30, 2025 to RMB316.9 million for the four months ended April 30, 2026.

Year Ended December 31, 2025 Compared with Year Ended December 31, 2024

Revenue

Revenue increased by RMB2,648.7 million, or 20.9%, from RMB12,659.4 million for the year ended December 31, 2024, to RMB15,308.1 million for the year ended December 31, 2025. The increase in revenue from the year ended December 31, 2024 to the year ended December 31, 2025 was mainly attributable to the increased sales across all end markets, especially the increased orders from automotive electronics customers and key customers in industrial control industry.

By End Markets

Automotive Electronics

Revenue from the sales of automotive electronics PCB increased by RMB1,138.7 million, or 19.6%, from RMB5,814.2 million for the year ended December 31, 2024, to RMB6,952.9 million for the year ended December 31, 2025, which was mainly attributable to the increased orders driven by the prevailing trend of electrification and intelligentization in the automotive industry, as well as our continuous efforts in expanding market share in Tier 1 automotive suppliers.

Smart Devices

Revenue from sales of smart device PCB remained relatively stable at RMB3,672.8 million and RMB3,705.2 million for the years ended December 31, 2024 and 2025, respectively.

Industrial Control and Medical Devices

Revenue from the sales of industrial control and medical devices PCB increased by RMB557.9 million, or 35.6%, from RMB1,565.9 million for the year ended December 31, 2024, to RMB2,123.8 million for the year ended December 31, 2025, which was mainly attributable to the increased orders from certain key customers in the industrial control industry, as our expanded production capacity better supports their demand.

Telecommunication and Data Infrastructure

Revenue from sales of telecommunication and data infrastructure PCB increased by RMB658.7 million, or 70.7%, from RMB932.0 million for the year ended December 31, 2024, to RMB1,590.7 million for the year ended December 31, 2025, which was mainly attributable to the increased orders from end customers supported by the surge in AI infrastructure investments where PCB products serve a critical role.

Others

We sell certain residues from our production process as they contain copper in Chinese mainland. Revenue from the sales of our production residues increased by RMB260.9 million, or 38.7%, from RMB674.5 million for the year ended December 31, 2024, to RMB935.4 million for the year ended December 31, 2025, which was mainly attributable to the increase in our production volume during the same period, as well as the increased price of copper.

By Product Types

RPCB

Revenue from the sales of RPCB increased by RMB1,714.3 million, or 21.6%, from RMB7,930.9 million for the year ended December 31, 2024, to RMB9,645.2 million for the year ended December 31, 2025, which was mainly attributable to the increased orders from customers in the automotive electronics industry.

FPC

Revenue from the sales of FPC increased by RMB621.8 million, or 18.0%, from RMB3,447.2 million for the year ended December 31, 2024, to RMB4,069.0 million for the year ended December 31, 2025, which was mainly attributable to the increased orders from smart device customers resulting from (i) recovery of smart device sector, and (ii) development of new applications in various end markets for FPC.

Other PCB

Revenue from the sales of other PCB remained relatively stable at RMB606.8 million and RMB658.4 million for the years ended December 31, 2024 and 2025, respectively.

Others

Revenue from the sales of our production residues increased by RMB260.9 million, or 38.7%, from RMB674.5 million for the year ended December 31, 2024, to RMB935.4 million for the year ended December 31, 2025, which was mainly attributable to the increase in our production volume during the same period, as well as the increased price of copper.

Cost of Sales

Cost of sales increased by RMB2,221.5 million, or 22.7%, from RMB9,781.7 million for the year ended December 31, 2024, to RMB12,003.2 million for the year ended December 31, 2025, which was generally in line with the increase in our revenue during the same period and was also driven by the increase in raw materials prices. Cost of raw materials increased by RMB1,439.8 million, or 24.3%, from RMB5,919.2 million for the year ended December 31, 2024, to RMB7,359.0 million for the year ended December 31, 2025. Cost of production increased by RMB387.0 million, or 16.6%, from RMB2,337.3 million for the year ended December 31, 2024, to RMB2,724.3 million for the year ended December 31, 2025. Cost of labor increased by RMB376.1 million, or 25.5%, from RMB1,477.7 million for the year ended December 31, 2024, to RMB1,853.8 million for the year ended December 31, 2025.

Gross Profit and Gross Profit Margin

Gross profit increased by 14.8%, or RMB427.2 million, from RMB2,877.7 million in the year ended December 31, 2024 to RMB3,304.9 million in the year ended December 31, 2025, which was generally in line with the increase in our revenue during the same period. The gross profit margin decreased from 22.7% in the year ended December 31, 2024 to 21.6% in the year ended December 31, 2025, primarily due to the increased price of raw materials, ramp-up of our new production bases, and intensified competition in the automotive electronics industry.

RPCB

Gross profit from the sales of RPCB was RMB1,729.5 million and RMB1,706.9 million for the years ended December 31, 2024 and 2025, respectively. The gross profit margin of the sales of single- and double-sided PCB and the sales of MLPCB was 28.5% and 21.8% in the year ended December 31, 2024, respectively, and 23.2% and 16.2% in the same period of 2025, respectively, primarily because raw material prices increased and the new production bases were in the ramp-up period. The gross profit margin of sales of HDI PCB was 12.0% in the year ended December 31, 2024 and 20.8% in the same period of 2025, primarily due to higher production volume, which led to improved utilization of the production capacity.

FPC

Gross profit from the sales of FPC increased by RMB234.6 million, or 65.4%, from RMB358.6 million for the year ended December 31, 2024, to RMB593.2 million for the year ended December 31, 2025. The gross profit margin of the sales of FPC was 10.4% in the year ended December 31, 2024 and 14.6% in the same period of 2025, primarily driven by product mix optimization.

Other PCB

Gross profit from the sales of other PCB was RMB162.5 million and RMB135.4 million for the years ended December 31, 2024 and 2025, respectively. The gross profit margin was 26.8% in the year ended December 31, 2024 and 20.6% in the same period of 2025, primarily due to intensified competition in the automotive electronics industry.

Others

Gross profit from the sales of our production residues increased by RMB242.3 million, or 38.6%, from RMB627.1 million for the year ended December 31, 2024, to RMB869.4 million for the year ended December 31, 2025. The gross profit margin remained relatively stable at 93.0% in the year ended December 31, 2024 and 92.9% in the same period of 2025.

Selling and Marketing Expenses

Selling and marketing expenses increased by RMB42.6 million, or 17.3%, from RMB245.6 million for the year ended December 31, 2024, to RMB288.2 million for the year ended December 31, 2025, which was mainly attributable to (i) the increase in employee costs by RMB24.0 million, or 18.3%, from RMB131.2 million to RMB155.2 million, resulting from additional employees recruited for overseas expansion, and (ii) increased insurance costs and promotional expenses in line with our business growth.

Administrative Expenses

Administrative expenses increased by RMB84.6 million, or 13.4%, from RMB630.7 million for the year ended December 31, 2024, to RMB715.3 million for the year ended December 31, 2025, which was mainly attributable to the increase in employee costs by RMB38.8 million, or 10.1%, from RMB384.7 million to RMB423.5 million, resulting from the increased number of administrative employees for our production capacity expansion during the same period.

Research and Development Expenses

Research and development expenses increased by RMB172.3 million, or 22.7%, from RMB757.6 million for the year ended December 31, 2024, to RMB929.9 million for the year ended December 31, 2025, which was mainly attributable to our strategic investment in the R&D of high-end products, which led to (i) the increase in employee costs by RMB79.8 million, or 25.3%, from RMB315.1 million to RMB394.9 million, due to the expansion of our R&D headcounts, and (ii) the increase in materials and utilities expenses by RMB91.0 million, or 24.3%, from RMB374.4 million to RMB465.4 million.

Other Income and Gains

Other income and gains increased by RMB25.8 million, or 8.1%, from RMB317.9 million for the year ended December 31, 2024, to RMB343.7 million for the year ended December 31, 2025, which was mainly attributable to the increase in fair value gains on financial assets at fair value through profit or loss by RMB147.5 million, from RMB6.3 million to RMB153.8 million, resulting from our investment gains in the shares we held in Jiangxi Jiangnan New Material Technology Co., Ltd. a public company listed on the Shanghai Stock Exchange (stock code: 603124) and Suzhou Xinguangyi Electronics Co., Ltd, a public company listed on the Shenzhen Stock Exchange (stock code: 301687), partly offset by the decrease in government grants by RMB68.7 million, or 32.3%, from RMB212.9 million to RMB144.2 million during the same period.

Other Expenses

Other expenses increased significantly by RMB44.2 million, or 40.5%, from RMB109.1 million for the year ended December 31, 2024, to RMB153.3 million for the year ended December 31, 2025, primarily due to foreign exchange losses, increased non-operating expenses and provision of inventories.

Finance Costs

Finance costs decreased by RMB36.6 million, or 32.1%, from RMB114.1 million for the year ended December 31, 2024, to RMB77.5 million for the year ended December 31, 2025, which was mainly attributable to the completion of share conversion and early redemption of the convertible bonds.

Share of Losses of an Associate

Share of losses of an associate increased by RMB2.0 million, or 11.1%, from RMB18.0 million for the year ended December 31, 2024, to RMB20.0 million for the year ended December 31, 2025, primarily due to the decreased shareholding percentage in Suzhou Aicheng and the increased net loss of the associate for the year.

Profit before Tax

Profit before tax increased by RMB144.0 million, or 10.9%, from RMB1,320.4 million for the year ended December 31, 2024, to RMB1,464.4 million for the year ended December 31, 2025.

Income Tax Expense

Income tax expense increased by RMB60.2 million, or 37.6%, from RMB160.2 million for the year ended December 31, 2024, to RMB220.4 million for the year ended December 31, 2025, primarily due to the increased profit before tax.

Profit for the Year

As a result of foregoing, our profit for the year increased by RMB83.8 million, or 7.2%, from RMB1,160.2 million for the year ended December 31, 2024, to RMB1,244.0 million for the year ended December 31, 2025.

Year Ended December 31, 2024 Compared with Year Ended December 31, 2023

Revenue

Revenue increased by RMB1,902.1 million, or 17.7%, from RMB10,757.3 million for the year ended December 31, 2023, to RMB12,659.4 million for the year ended December 31, 2024. The increase was mainly attributable to the increased orders from automotive electronics customers and smart device customers.

By End Markets

Automotive Electronics

Revenue from the sales of automotive electronics PCB increased by RMB1,439.2 million, or 32.9%, from RMB4,375.0 million for the year ended December 31, 2023, to RMB5,814.2 million for the year ended December 31, 2024, which was mainly attributable to the increased orders driven by the prevailing trend of electrification and intelligentization in the automotive industry, as well as our continuous efforts in expanding market share in Tier 1 automotive suppliers.

Smart Devices

Revenue from the sales of smart device PCB increased by RMB414.7 million, or 12.7%, from RMB3,258.1 million for the year ended December 31, 2023, to RMB3,672.8 million for the year ended December 31, 2024. Such growth was primarily attributable to the recovery of the smart device industry in 2024, underpinned by a steady rebound in the global economy, continuous technological advancements and the release of replacement demand.

Industrial Control and Medical Devices

Revenue from the sales of industrial control and medical devices PCB decreased by RMB269.9 million, or 14.7%, from RMB1,835.8 million for the year ended December 31, 2023, to RMB1,565.9 million for the year ended December 31, 2024, which was mainly attributable to the decreased orders from certain customers resulting from strategic adjustment of our sales focus.

Telecommunication and Data Infrastructure

Revenue from the sales of telecommunication and data infrastructure PCB increased by RMB159.9 million, or 20.7%, from RMB772.1 million for the year ended December 31, 2023, to RMB932.0 million for the year ended December 31, 2024, which was mainly attributable to the increased orders driven by our continuous efforts in expanding market share and strengthening customer relationships.

Others

Revenue from the sales of our production residues increased by RMB158.1 million, or 30.6%, from RMB516.4 million for the year ended December 31, 2023, to RMB674.5 million for the year ended December 31, 2024, which was mainly attributable to the increase in our production volume during the same period, as well as the increased price of copper.

By Product Types

RPCB

Revenue from the sales of RPCB increased by RMB1,064.9 million, or 15.5%, from RMB6,866.0 million for the year ended December 31, 2023, to RMB7,930.9 million for the year ended December 31, 2024, which was mainly attributable to the increased orders from customers in the automotive electronics industry.

FPC

Revenue from the sales of FPC increased by RMB694.4 million, or 25.2%, from RMB2,752.8 million for the year ended December 31, 2023, to RMB3,447.2 million for the year ended December 31, 2024, which was mainly attributable to the increased orders from customers in multiple sectors, including (i) smart device sector, resulting from its recovery, and (ii) the automotive electronics sector.

Other PCB

Revenue from the sales of other PCB remained stable at RMB622.2 million and RMB606.8 million for the year ended December 31, 2023 and 2024, respectively.

Others

Revenue from the sales of our production residues increased by RMB158.1 million, or 30.6%, from RMB516.4 million for the year ended December 31, 2023, to RMB674.5 million for the year ended December 31, 2024, which was mainly attributable to the increase in our production volume during the same period, as well as the increased prices of copper.

Cost of Sales

Cost of sales increased by RMB1,516.7 million, or 18.4%, from RMB8,265.0 million for the year ended December 31, 2023, to RMB9,781.7 million for the year ended December 31, 2024, which was generally in line with the increase in our revenue during the same period and was also driven by the increase in raw materials prices. Cost of raw materials increased by RMB923.9 million, or 18.5%, from RMB4,995.3 million for the year ended December 31, 2023, to RMB5,919.2 million for the year ended December 31, 2024. Cost of production increased by RMB365.0 million, or 18.5%, from RMB1,972.3 million for the year ended December 31, 2023, to RMB2,337.3 million for the year ended December 31, 2024. Cost of labor increased by RMB214.6 million, or 17.0%, from RMB1,263.1 million for the year ended December 31, 2023, to RMB1,477.7 million for the year ended December 31, 2024.

Gross profit and Gross Profit Margin

Gross profit increased by RMB385.4 million, or 15.5%, from RMB2,492.3 million for the year ended December 31, 2023, to RMB2,877.7 million for the year ended December 31, 2024. The gross profit margin slightly decreased from 23.2% for the year ended December 31, 2023 to 22.7% for the year ended December 31, 2024, primarily due to the increased price of raw materials and ramp up of our new production bases.

RPCB

Gross profit from the sales of RPCB increased by RMB187.2 million, or 12.1%, from RMB1,542.3 million for the year ended December 31, 2023, to RMB1,729.5 million for the year ended December 31, 2024, primarily due to an increase in revenue from the sales of RPCB. The gross profit margin of the sales of single- and double-sided PCB and sales of MLPCB decreased from 30.4% and 22.6% in 2023, respectively, to 28.5% and 21.8% in 2024, respectively, primarily because raw material prices increased and the new production bases were in the ramp-up period. The gross profit margin of sales of HDI PCB increased from 1.5% in the year ended December 31, 2023 to 12.0% in the year ended December 31, 2024. The change was primarily due to higher production volume, which led to improved utilization of the production capacity.

FPC

Gross profit from the sales of FPC increased by RMB60.7 million, or 20.4%, from RMB297.9 million for the year ended December 31, 2023, to RMB358.6 million for the year ended December 31, 2024, primarily due to an increase in revenue from the sales of FPC. The gross profit margin remained relatively stable at 10.8% in 2023 and 10.4% in 2024.

Other PCB

Gross profit from the sales of other PCB decreased by RMB7.7 million, or 4.5%, from RMB170.2 million for the year ended December 31, 2023, to RMB162.5 million for the year ended December 31, 2024. The gross profit margin remained relatively stable at 27.3% in 2023 and 26.8% in 2024.

Others

Gross profit from the sales of our production residues increased by RMB145.1 million, or 30.1%, from RMB482.0 million for the year ended December 31, 2023, to RMB627.1 million for the year ended December 31, 2024, mainly attributable to an increase in revenue. The gross profit margin remained relatively stable at 93.3% in 2023 and 93.0% in 2024.

Selling and Marketing Expenses

Selling and marketing expenses increased by RMB53.5 million, or 27.9%, from RMB192.1 million for the year ended December 31, 2023, to RMB245.6 million for the year ended December 31, 2024, which was mainly attributable to (i) the increase in employee costs by RMB33.7 million, or 34.5%, from RMB97.5 million to RMB131.2 million, resulting from additional employees recruited for overseas expansion and the share-based payments under the 2024 Share Option and Restricted Share Incentive Plan, and (ii) increased insurance costs and promotional expenses in line with our business growth.

Administrative Expenses

Administrative expenses increased by RMB67.7 million, or 12.0%, from RMB563.0 million for the year ended December 31, 2023, to RMB630.7 million for the year ended December 31, 2024, which was mainly attributable to (i) the increase in employee costs resulting from the increased number of employees for our production capacity expansion during the same period, as well as (ii) the increase in the share-based payments under the 2024 Share Option and Restricted Share Incentive Plan.

Research and Development Expenses

Research and development expenses increased by RMB156.9 million, or 26.1%, from RMB600.7 million for the year ended December 31, 2023, to RMB757.6 million for the year ended December 31, 2024, which was mainly attributable to our strategic investment in the R&D of high-end products, which led to (i) the increase in employee costs by RMB66.9 million, or 27.0%, from RMB248.2 million to RMB315.1 million, due to the increase in our R&D headcounts, and (ii) the increase in materials and utilities expenses by RMB90.8 million, or 32.0%, from RMB283.6 million to RMB374.4 million.

Other Income and Gains

Other income and gains increased by RMB115.8 million, or 57.3%, from RMB202.1 million for the year ended December 31, 2023, to RMB317.9 million for the year ended December 31, 2024, which was mainly attributable to (i) the increase in government grants by RMB88.6 million, or 71.3%, from RMB124.3 million to RMB212.9 million, (ii) the increase in interest income by RMB17.0 million, or 54.3%, from RMB31.3 million to RMB48.3 million, and (iii) the increase in gains on foreign exchange differences by RMB13.9 million, or 43.3%, from RMB32.1 million to RMB46.0 million.

Other Expenses

Other expenses decreased by RMB26.7 million, or 19.7%, from RMB135.8 million for the year ended December 31, 2023, to RMB109.1 million for the year ended December 31, 2024, mainly due to decreased fair value losses on derivative financial instruments and impairment of property, plant and equipment, partially offset by the increased impairment losses on financial assets.

Finance Costs

Finance costs decreased by RMB33.0 million, or 22.4%, from RMB147.1 million for the year ended December 31, 2023, to RMB114.1 million for the year ended December 31, 2024, which was mainly attributable to the increased share conversion arising from the convertible bonds.

Share of Losses of an Associate

Share of losses of an associate increased by RMB9.9 million, or 122.2%, from RMB8.1 million for the year ended December 31, 2023, to RMB18.0 million for the year ended December 31, 2024, primarily due to the increased net loss of the associate for the year.

Profit before Tax

Profit before tax increased by RMB272.9 million, or 26.1%, from RMB1,047.5 million for the year ended December 31, 2023, to RMB1,320.4 million for the year ended December 31, 2024.

Income Tax Expense

Income tax expense increased by RMB23.7 million, or 17.4%, from RMB136.5 million for the year ended December 31, 2023, to RMB160.2 million for the year ended December 31, 2024, primarily due to the increased profit before tax.

Profit for the Year

As a result of foregoing, our profit for the year increased by RMB249.2 million, or 27.4%, from RMB911.0 million for the year ended December 31, 2023, to RMB1,160.2 million for the year ended December 31, 2024.

DISCUSSION ON KEY ITEMS OF CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The following table sets forth selected information from our consolidated statements of financial position as of the dates indicated, which has been extracted from our Accountants' Report included in Appendix I to this prospectus.

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Current assets				
Inventories	1,364,010	1,742,447	2,515,615	3,216,566
Trade and bills receivables	3,899,458	4,351,823	4,869,754	4,679,633
Prepayments, deposits and other receivables	89,109	182,092	322,071	449,438
Financial assets at fair value through profit or loss	250,000	312,000	182,180	82,624
Debt investments at fair value through other comprehensive income	836,418	680,431	982,266	978,713
Pledged and restricted deposits	319,409	345,239	527,137	626,529
Time deposits with original maturity of over three months	–	–	225,000	–
Cash and cash equivalents	1,968,398	1,838,432	1,941,199	2,910,922
Total current assets	**8,726,802**	**9,452,464**	**11,565,222**	**12,944,425**
Non-current assets				
Property, plant and equipment	7,566,936	8,405,797	10,632,094	11,521,252
Right-of-use assets	272,091	258,994	265,312	278,290
Intangible assets	26,514	24,786	19,544	21,738
Investments in an associate	86,861	100,416	80,367	74,107
Equity investments designated at fair value through other comprehensive income	6,000	6,000	–	–
Financial assets at fair value through profit or loss	7,000	37,000	40,000	40,000
Deferred tax assets	224,341	283,273	243,298	239,922
Prepayments, deposits and other receivables	314,187	675,047	881,072	1,354,055
Total non-current assets	**8,503,930**	**9,791,313**	**12,161,687**	**13,529,364**
Current liabilities				
Accounts and bills payables	3,886,070	4,852,862	6,721,591	6,971,097
Financial liabilities at fair value through profit or loss	838	–	–	–
Contract liabilities	7,997	5,795	11,970	30,408
Other payables and accruals	518,700	661,045	659,527	1,077,724
Convertible bonds	11,974	4,283	–	–
Interest-bearing bank and other borrowings	319,706	373,271	592,018	675,009
Lease liabilities	18,214	11,020	16,747	12,417
Tax payable	68,579	55,949	53,243	19,124
Total current liabilities	**4,832,078**	**5,964,225**	**8,055,096**	**8,785,779**
Net current assets	**3,894,724**	**3,488,239**	**3,510,126**	**4,158,646**
Total assets less current liabilities	**12,398,654**	**13,279,552**	**15,671,813**	**17,688,010**

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Non-current liabilities				
Convertible bonds	2,640,361	1,027,889	–	–
Interest-bearing bank and other borrowings	416,917	284,063	1,863,943	4,123,836
Lease liabilities	8,323	3,566	11,912	13,350
Deferred income	228,457	325,539	403,448	400,801
Deferred tax liabilities	134,376	140,789	122,718	72,478
Total non-current liabilities	**3,428,434**	**1,781,846**	**2,402,021**	**4,610,465**
Net assets	**8,970,220**	**11,497,706**	**13,269,792**	**13,077,545**
Equity				
Equity attributable to shareholders of the Company				
Share capital	841,874	932,532	984,812	984,857
Treasury shares	–	(112,037)	(85,089)	(85,089)
Equity component of convertible bonds	488,025	177,667	–	–
Reserves	7,447,470	10,315,511	12,172,988	11,968,448
Total	**8,777,369**	**11,313,673**	**13,072,711**	**12,868,216**
Non-controlling interests	**192,851**	**184,033**	**197,081**	**209,329**
Total equity	**8,970,220**	**11,497,706**	**13,269,792**	**13,077,545**

Assets

Inventories

Our inventories consisted of raw materials and consumables, work in progress, finished goods and goods in transit. The following table sets out a breakdown of our inventories as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Raw materials and consumables	429,904	467,490	745,736	1,172,500
Work in progress	356,921	434,258	602,106	786,981
Finished goods	219,665	269,406	465,570	543,296
Goods in transit	357,520	571,293	702,203	713,789
Total	**1,364,010**	**1,742,447**	**2,515,615**	**3,216,566**

Our inventories increased by 44.4% from RMB1,742.4 million as of December 31, 2024 to RMB2,515.6 million as of December 31, 2025, primarily due to (i) the increase in raw materials and consumables of RMB278.2 million, (ii) the increase in finished goods of RMB196.2 million, (iii) the increase in work in progress of RMB167.8 million, and (iv) the increase in goods in transit of RMB130.9 million. All of these increases were due to the increase in production volume during the same period. Our inventories further increased to RMB3,216.6 million as of April 30, 2026, primarily due to the higher levels of raw materials and consumables held by us, driven by increased production volume and rising raw material price.

Our inventories increased by 27.7% from RMB1,364.0 million as of December 31, 2023 to RMB1,742.4 million as of December 31, 2024, primarily due to (i) the increase in goods in transit of RMB213.8 million, (ii) the increase in work in progress of RMB77.3 million, (iii) the increase in finished goods of RMB49.7 million, and (iv) the increase in raw materials and consumables of RMB37.6 million. All of these increases were due to the increase in production volume during the same period.

The following table sets forth the aging analysis of our inventories as of the dates indicated:

	Year ended December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Within 1 year	1,314,167	1,663,074	2,447,888	3,109,503
1 to 2 years	36,130	39,026	30,814	56,800
Over 2 years	13,713	40,347	36,913	50,713
Total	**1,364,010**	**1,742,447**	**2,515,615**	**3,216,566**

Our inventory turnover days are calculated using the average of opening balance and closing balance of inventories for a year divided by cost of sales for the relevant year and multiplied by 365 days. Our inventory turnover days remain relatively stable at 61 days, 58 days and 65 days in 2023, 2024 and 2025, respectively. Our inventory turnover days were 79 days for the four months ended April 30, 2026, primarily due to the increase in inventories from RMB2,515.6 million as of December 31, 2025 to RMB3,216.6 million as of April 30, 2026.

As of July 31, 2026, RMB2,732.8 million, or 83.4%, of our inventories as of April 30, 2026 had been utilized or sold. Based on our assessments during the Track Record Period, we have made adequate provisions for our inventories to account for potential uncertainties. The Directors are of the view that adequate provision for inventory write-down has been made, and there is no further impairment risk or recoverability risk that would materially and adversely affect our financial position, taking into account that (i) inventories are stated at the lower of cost and net realizable value, and net realizable value is estimated based on the current market situation and historical experience on similar inventories; (ii) the majority of our inventories were aged within one year, representing 96.3%, 95.4%, 97.3% and 96.7% of total inventories as of December 31, 2023, 2024 and 2025 and April 30, 2026, respectively; (iii) we have implemented various measures to optimize our inventory levels, including standardizing the purchase order approval process through the ERP system, formulating procurement plans based on a safety stock model and dynamic demand forecasting, monitoring the inflow and outflow of materials in real-time, and using BI tools to promptly track inventory aging; and (iv) our Directors confirm that our inventory control systems and policies have been effective, with no significant supply shortages or inventory overstock issues experienced during the Track Record Period and up to the Latest Practicable Date.

Trade and Bills Receivables

The following table sets forth a breakdown of our trade and bills receivables as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Trade receivables	3,806,039	4,381,010	4,949,254	4,702,564
Bills receivables	286,456	194,190	173,982	218,095
Impairment	(193,037)	(223,377)	(253,482)	(241,026)
Total	**3,899,458**	**4,351,823**	**4,869,754**	**4,679,633**

Our trade and bills receivables increased from RMB3,899.5 million as of December 31, 2023 to RMB4,351.8 million as of December 31, 2024, mainly driven by more optimistic market outlook in 2024 as compared to 2023, which led to higher shipments to customers. Our trade and bills receivables further increased to RMB4,869.8 million as of December 31, 2025, primarily due to the increased revenue in 2025. Our trade and bills receivables decreased by RMB190.1 million, or 3.9%, from RMB4,869.8 million as of December 31, 2025 to RMB4,679.6 million as of April 30, 2026, primarily due to our enhanced credit management measures.

We typically grant a credit period of 30 to 120 days to our direct sales customers at request. We maintain strict control over our outstanding receivables and have a credit control department to minimise 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.

The following table sets forth the aging analysis of our trade receivables as of the dates indicated, based on the revenue recognition date and net of allowance for expected credit losses:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Within 1 year	3,898,658	4,351,386	4,869,754	4,679,627
1 year to 2 years	780	417	–	6
2 year to 3 years	14	20	–	–
Over 3 years	6	–	–	–
Total	**3,899,458**	**4,351,823**	**4,869,754**	**4,679,633**

Our trade and bills receivable turnover days are calculated using the average of opening balance and closing balance of trade and bills receivables (excluding provision for impairment) for a year divided by revenue for the relevant year and multiplied by the number of days in the relevant period. Our trade and bills receivable turnover days decreased from 129 days for the year ended December 31, 2023 to 119 days for the year ended December 31, 2024, and further decreased to 110 days for the year ended December 31, 2025, primarily due to our enhanced credit management on our receivables. Our trade and bills receivable turnover days were 107 days for the four months ended April 30, 2026, which remained relatively stable as compared to the year ended December 31, 2025. To enhance credit management on our receivables, we have established collection objectives with monthly overdue payment reviews, developed targeted collection measures based on the findings from these reviews, strictly controlled overdue exposure by reducing transaction volumes with chronically delinquent customers, and implemented formal approval procedures for credit term extensions and payment method changes (from wire transfers to bills or electronic debt certificates).

As of July 31, 2026, RMB3,662.2 million, or 74.4%, of our trade and bills receivables as of April 30, 2026 had been settled. The Directors are of the view that adequate provision for expected credit losses on trade and bills receivables has been made, and there is no further impairment risk or recoverability risk that would materially and adversely affect our financial position, taking into account that (i) we applied the simplified approach under IFRS 9 in calculating ECLs using a provision matrix that is based on our historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment; (ii) substantially all of our trade and bills receivables were aged within one year throughout the Track Record Period, with over 99.9% of net trade and bills receivables falling within the one-year category as of April 30, 2026; (iii) we maintain strict control over our outstanding receivables through a dedicated credit control department, with overdue balances reviewed regularly by senior management and credit limits attributed to customers reviewed once a month; and (iv) we have established collection objectives with monthly overdue payment reviews, developed targeted collection measures, strictly controlled overdue exposure by reducing transaction volumes with chronically delinquent customers, and implemented formal approval procedures for credit term extensions and payment method changes.

Prepayments, Deposit and Other Receivables

Our prepayments, deposit and other receivables consisted of prepayments, deposits and other receivables, VAT recoverable and tax prepayments. The following table sets out a breakdown of our prepayments, deposit and other receivables as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Prepayments	323,601	690,085	889,645	1,389,594
Deposits and other receivables	56,730	56,288	99,985	169,141
Value-added tax recoverable	26,844	112,030	181,410	202,317
Tax prepayments	1,101	5,245	21,481	34,780
Listing expense	–	–	20,045	21,036
Less: Provision for impairment of other receivables	(4,980)	(6,509)	(9,423)	(13,375)

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Total	**403,296**	**857,139**	**1,203,143**	**1,803,493**
Current portion	89,109	182,092	322,071	449,438
Non-current portion	314,187	675,047	881,072	1,354,055

Our prepayments, deposit and other receivables increased from RMB403.3 million as of December 31, 2023 to RMB857.1 million as of December 31, 2024, and further increased to RMB1,203.1 million as of December 31, 2025, which were mainly driven by the increased prepayments of equipment due to the operation of new production lines during the Track Record Period. Our prepayments, deposits and other receivables further increased by RMB600.4 million, or 49.9%, to RMB1,803.5 million as of April 30, 2026, primarily due to the increase in prepayments from RMB889.6 million as of December 31, 2025 to RMB1,389.6 million as of April 30, 2026 which was mainly attributable to our establishment of new factories and production lines, resulting in increased prepayments for the procurement of equipment and raw materials.

As of July 31, 2026, RMB343.8 million, or 18.9%, of our prepayments, deposit and other receivables as of April 30, 2026 had been settled.

Financial Assets at Fair Value Through Profit or Loss

Our current financial assets at fair value through profit or loss primarily represent wealth management products issued by banks in Chinese mainland and listed equity investments. The wealth management products 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. Our investments in wealth management products will be subject to, and are expected to comply with, the Chapter 14 of the Listing Rules after the Listing. Our non-current financial assets at fair value through profit or loss consisted of unlisted equity investments. The following table sets out a breakdown of our financial assets at fair value through profit or loss as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Current portion				
Wealth management products	250,000	312,000	–	–
Listed equity investments, at fair value	–	–	182,180	82,624
Non-current portion				
Equity investments classified as at fair value through profit or loss:				
Unlisted equity investments	7,000	37,000	40,000	40,000
Total	**257,000**	**349,000**	**222,180**	**122,624**

Our financial assets at fair value through profit or loss grew from RMB257.0 million as of December 31, 2023 to RMB349.0 million as of December 31, 2024, primarily due to our increased investment in wealth management products and RMB30.0 million equity investment in an unlisted company. Our financial assets at fair value through profit or loss decreased to RMB222.2 million as of December 31, 2025, primarily due to the maturity of our wealth management products. Our financial assets at fair value through profit or loss further decreased by RMB99.6 million, or 44.8%, to RMB122.6 million as of April 30, 2026, primarily due to the decrease in listed equity investments at fair value from RMB182.2 million as of December 31, 2025 to RMB82.6 million as of April 30, 2026.

Property, Plant and Equipment

Our property, plant and equipment consisted of buildings, machinery, freehold land, renovation and leasehold improvements, construction in progress and others.

The following table sets out a breakdown of our property, plant and equipment as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Buildings	2,315,764	2,468,072	3,182,232	3,144,595
Machinery	4,577,555	4,880,100	6,487,809	6,709,879
Freehold land	–	32,545	41,602	39,058
Renovation and leasehold improvements	101,201	127,778	188,646	216,393
Construction in progress	483,328	784,962	609,717	1,282,887
Others[(1)]	89,088	112,340	122,088	128,440
Total	**7,566,936**	**8,405,797**	**10,632,094**	**11,521,252**

Note:

(1) Primarily include electronic equipment, internet equipment and examination devices.

Our property, plant and equipment increased by 11.1% from RMB7,566.9 million as of December 31, 2023 to RMB8,405.8 million as of December 31, 2024, mainly attributable to the increase in machinery and buildings of our Jishui production base (Ji'an City, Jiangxi Province) and Xinfeng production base (Ganzhou City, Jiangxi Province), as well as the increase in construction in progress of our Xinfeng production base (Ganzhou City, Jiangxi Province), Shenzhen production base, Thailand production base, Longchuan production base (Heyuan City, Guangdong Province) and Jinwan production base (Zhuhai City, Guangdong Province). Our property, plant and equipment further increased by 26.5% to RMB10,632.1 million as of December 31, 2025, and further increased to RMB11,521.3 million as of April 30, 2026, mainly attributable to the increase in machinery and buildings of our Xinfeng production base (Ganzhou City, Jiangxi Province) and Shenzhen production base.

Right-of-Use Assets

Our right-of-use assets consisted of buildings and land use rights. We have lease contracts for various items of office premises. Our right-of-use assets remained relatively stable at RMB272.1 million as of December 31, 2023, RMB259.0 million as of December 31, 2024, RMB265.3 million as of December 31, 2025, and RMB278.3 million as of April 30, 2026. The slight decrease as of December 31, 2024 was mainly due to amortization, while the increase as of April 30, 2026 was primarily due to additions of RMB23.8 million for land use rights and buildings, partially offset by depreciation of RMB10.8 million during the four months ended April 30, 2026.

Intangible Assets

Our intangible assets consisted of software. Our intangible assets continued to decrease from RMB26.5 million as of December 31, 2023, RMB24.8 million as of December 31, 2024 to RMB19.5 million as of December 31, 2025, primarily due to amortization, and increased to RMB21.7 million as of April 30, 2026, primarily due to additions of RMB5.7 million, partially offset by amortization of RMB3.5 million during the four months ended April 30, 2026.

Cash and Cash Equivalents

We had cash and cash equivalents of RMB1,968.4 million, RMB1,838.4 million, RMB1,941.2 million and RMB2,910.9 million as of December 31, 2023, 2024, 2025 and April 30, 2026, respectively. For details, see "— Liquidity and Capital Resources."

Liabilities

Accounts and Bills Payables

Our accounts and bills payables primarily consisted of payments due to raw materials and equipment suppliers. The change in our accounts and bills payables was generally in line with the increased production and operation arrangements during the Track Record Period.

Our accounts and bills payables increased from RMB3,886.1 million as of December 31, 2023 to RMB4,852.9 million as of December 31, 2024, and further increased to RMB6,721.6 million as of December 31, 2025 and further to RMB6,971.1 million as of April 30, 2026, primarily due to the increased procurement of raw materials and equipment during the Track Record Period, which was in line with the growth of our production and operations.

The credit period of our raw materials purchases is generally 90 to 120 days. We purchase equipment under installment payment arrangements. The following table sets forth the aging analysis of our accounts and bills payables as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Within 1 year	3,757,536	4,762,461	6,607,111	6,858,234
1 year to 2 years	113,359	40,072	84,685	79,443
2 year to 3 years	11,594	38,686	13,609	16,946
Over 3 years	3,581	11,643	16,186	16,474
Total	**3,886,070**	**4,852,862**	**6,721,591**	**6,971,097**

Our accounts and bills payable turnover days are calculated using the average of opening balance and closing balance of accounts and bills payables for a year divided by the cost of sales for the relevant year and multiplied by 365 days. Our accounts and bills payable turnover days decreased from 170 days in 2023 to 163 days in 2024, primarily due to a higher growth of our cost of sales from 2023 to 2024, which was in line with our business growth. Our accounts and bills payable turnover days increased to 176 days in 2025, primarily due to the expansion of our production scale during the period, which resulted in higher procurement of equipment and a corresponding increase in the proportion of payables attributable to equipment purchases, which generally carry longer payment terms. In addition, a higher proportion of our raw material purchases was settled by endorsed bank bills during the period, which typically involve longer settlement cycles than standard accounts payables, further contributing to the increase in turnover days. Our accounts and bills payable turnover days were 189 days for the four months ended April 30, 2026, primarily due to the higher average balance of accounts and bills payables during the period, which reflected continued procurement of raw materials and equipment to support our production and operations.

As of July 31, 2026, RMB4,192.8 million, or 60.1%, of our accounts and bills payables as of April 30, 2026 had been settled.

Other Payables and Accruals

Our other payables and accruals primarily consisted of restricted share repurchase obligations, deposits payable, accruals and other payables, payroll and welfare payable, other tax payables, and endorsed bank bills.

The following table sets out a breakdown of our other payables and accruals as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Restricted share repurchase obligations	–	112,037	85,089	85,089
Deposits payable	36,542	20,531	22,688	4,736
Accruals and other payables	61,722	100,695	99,287	60,494
Payroll and welfare payable	242,180	276,871	318,279	238,154
Other tax payables	103,812	54,006	48,815	51,152
Endorsed bank bills	26,944	96,905	78,424	89,529
Payables for equity acquisition	47,500	–	–	–
Dividend	–	–	6,945	548,570
Total	**518,700**	**661,045**	**659,527**	**1,077,724**

Our other payables and accruals increased from RMB518.7 million as of December 31, 2023 to RMB661.0 million as of December 31, 2024, primarily due to the RMB112.0 million restricted share repurchase obligations in relation to the restricted share incentive scheme launched in 2024, as well as the increased endorsed bank bills by December 31, 2024. Our other payables and accruals remained stable at RMB659.5 million as of December 31, 2025. Our other payables and accruals increased by RMB418.2 million, or 63.4%, to RMB1,077.7 million as of April 30, 2026, primarily due to the dividend of RMB548.6 million recorded in other payables and accruals as of April 30, 2026.

As of July 31, 2026, RMB939.0 million, or 87.1%, of our other payables and accruals as of April 30, 2026 had been settled.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flow

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

	For the year ended December 31,			For the four months ended April 30,	
	2023	2024	2025	2025	2026
			(RMB in thousands)	*(Unaudited)*	
Net cash flows from operating activities	2,115,491	2,289,629	1,931,225	603,876	493,389
Net cash flows used in investing activities	(1,873,537)	(2,003,385)	(2,687,744)	(836,632)	(1,679,690)
Net cash flows from/(used in) financing activities	436,268	(464,653)	862,048	626,624	2,200,230
Cash and cash equivalents at beginning of year/period	**1,275,555**	**1,968,398**	**1,838,432**	**1,838,432**	**1,941,199**
Effect of foreign exchange rate changes, net	14,621	48,443	(2,762)	21,258	(44,206)
Cash and cash equivalents at end of year/period	**1,968,398**	**1,838,432**	**1,941,199**	**2,253,558**	**2,910,922**

Net Cash from Operating Activities

For the four months ended April 30, 2026, we had net cash from operating activities of RMB493.4 million, as compared to RMB603.9 million for the four months ended April 30, 2025. The decrease was primarily due to a decrease in cash generated from operations from RMB697.5 million for the four months ended April 30, 2025 to RMB568.5 million for the four months ended April 30, 2026, partially offset by a decrease in income taxes paid from RMB102.2 million to RMB85.8 million. The principal items accounting for the difference between the net cash from operating activities and the profit before tax of RMB337.9 million for the four months ended April 30, 2026 was the adjustments for depreciation of property, plant and equipment of RMB372.3 million, partially offset by fair value gains on financial assets at fair value through profit or loss of RMB80.1 million. The amount was further adjusted by changes in working capital, which primarily consisted of an increase in accounts and bills payables of RMB397.1 million, partially offset by increases in inventories of RMB738.8 million and prepayments, deposits and other receivables of RMB112.0 million.

In the year ended December 31, 2025, we had net cash from operating activities of RMB1,931.2 million, as compared to profit before tax of RMB1,464.4 million. The principal items accounting for the difference were the adjustments for depreciation of property, plant and equipment of RMB931.7 million and equity-settled share-based payment expenses of RMB134.0 million, partially offset by fair value gains on financial assets at fair value through profit or loss of RMB153.8 million. The amount was further adjusted by changes in working capital, which primarily consisted of an increase in accounts and bills payables of RMB1,278.5 million, partially offset by increases in inventories of RMB838.9 million, debt investments at fair value through other comprehensive income of RMB301.8 million and trade and bills receivables of RMB547.7 million.

In 2024, we had net cash from operating activities of RMB2,289.6 million, as compared to profit before tax of RMB1,320.4 million. The principal items accounting for the difference were the adjustments for depreciation of property, plant and equipment of RMB777.1 million, finance costs of RMB114.1 million and equity-settled share-based payment expenses of RMB87.1 million, partially offset by foreign exchange differences, net of RMB48.4 million and fair value gains on financial assets at fair value through profit or loss of RMB6.3 million. The amount was further adjusted by the changes in working capital, which primarily consisted of an increase in accounts and bills payables of RMB792.7 million, partially offset by increases in trade and bills receivables of RMB488.7 million and inventories of RMB435.7 million.

In 2023, we had net cash from operating activities of RMB2,115.5 million, as compared to profit before tax of RMB1,047.5 million. The principal items accounting for the difference were the adjustments for depreciation of property, plant and equipment of RMB736.1 million, finance costs of RMB147.1 million and fair value losses on derivative financial instruments of RMB52.6 million, partially offset by foreign exchange differences, net of RMB14.6 million and fair value gains on financial assets at fair value through profit or loss of RMB9.5 million. The amount was further adjusted by the changes in working capital, which primarily consisted of an increase in accounts and bills payables of RMB418.8 million, partially offset by an increase in trade and bills receivables of RMB192.7 million and an increase in debt investments at fair value through other comprehensive income of RMB127.8 million.

Net Cash Used in Investing Activities

For the four months ended April 30, 2026, we had net cash used in investing activities of RMB1,679.7 million, as compared to RMB836.6 million for the four months ended April 30, 2025. The increase was primarily due to an increase in the purchase of items of property, plant and equipment from RMB731.4 million for the four months ended April 30, 2025 to RMB2,071.7 million for the four months ended April 30, 2026, partially offset by proceeds from maturity of time deposits with original maturity of over three months of RMB226.6 million and investment income from financial assets at fair value through profit or loss of RMB174.2 million for the four months ended April 30, 2026 which primarily resulted from our disposal of part of our shareholding in Jiangxi Jiangnan New Material Technology Co., Ltd. during the period.

In the year ended December 31, 2025, we had net cash used in investing activities of RMB2,687.7 million, primarily due to the purchase of property, plant and equipment of RMB2,762.8 million and purchases of financial assets at fair value through profit or loss of RMB742.7 million, partially offset by an inflow from maturity of financial assets at fair value through profit or loss of RMB1,016.0 million.

In 2024, we had net cash used in investing activities of RMB2,003.4 million, primarily due to the purchase of property, plant and equipment of RMB1,831.0 million, and an outflow from purchase of financial assets at fair value through profit or loss of RMB3,492.0 million partially offset by an inflow from maturity of financial assets at fair value through profit or loss of RMB3,400.0 million.

In 2023, we had net cash used in investing activities of RMB1,873.5 million, primarily due to the purchase of property, plant and equipment of RMB1,427.9 million and an outflow from purchase of financial assets at fair value through profit or loss of RMB3,840.0 million, partially offset by an inflow from maturity of financial assets at fair value through profit or loss of RMB3,590.0 million.

Net Cash Flows (Used in)/from Financing Activities

For the four months ended April 30, 2026, we had net cash from financing activities of RMB2,200.2 million, as compared to RMB626.6 million for the four months ended April 30, 2025. The increase was primarily due to an increase in new bank and other borrowings from RMB727.5 million for the four months ended April 30, 2025 to RMB2,683.9 million for the four months ended April 30, 2026, partially offset by repayment of bank and other borrowings of RMB342.4 million, a decrease in pledged and restricted deposits of RMB99.4 million and interest paid of RMB22.2 million for the four months ended April 30, 2026.

In the year ended December 31, 2025, we had net cash from financing activities of RMB862.0 million, primarily due to the proceeds from new bank and other borrowings of RMB2,188.4 million, partially offset by dividends paid of RMB740.4 million and repayments of bank and other borrowings of RMB373.0 million.

In 2024, we had net cash used in financing activities of RMB464.7 million, primarily due to dividends paid of RMB420.9 million and repayments of bank and other borrowings of RMB574.3 million, partially offset by new bank and other borrowings of RMB498.5 million and proceeds from the issuance of restricted shares of RMB112.9 million.

In 2023, we had net cash from financing activities of RMB436.3 million, primarily due to proceeds from the issuance of convertible bonds of RMB1,139.6 million, partially offset by dividends paid of RMB423.6 million and repayment of bank and other borrowings of RMB211.0 million.

Working Capital Sufficiency

Our Directors are of the opinion that, taking into account the estimated net proceeds from the Global Offering and other capital resources available to us, including cash flow from operating activities, cash and cash equivalents, restricted cash, time deposits, financial assets at FVTPL, and bank facilities, we have sufficient working capital to meet our present requirements and for the next 12 months from the date of this prospectus.

Net Current Assets

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

	As of December 31,			As of April 30, 2026	As of July 31, 2026
	2023	2024	2025		
			(RMB in thousands)		*(unaudited)*
Current assets					
Inventories	1,364,010	1,742,447	2,515,615	3,216,566	3,700,243
Trade and bills receivables	3,899,458	4,351,823	4,869,754	4,679,633	5,921,289
Prepayments, deposits and other receivables	89,109	182,092	322,071	449,438	465,648
Financial assets at fair value through profit or loss	250,000	312,000	182,180	82,624	79,675
Debt investments at fair value through other comprehensive income	836,418	680,431	982,266	978,713	622,036
Pledged and restricted deposits	319,409	345,239	527,137	626,529	858,854
Time deposits with original maturity of over three months	–	–	225,000	–	200,000
Cash and cash equivalents	1,968,398	1,838,432	1,941,199	2,910,922	2,333,066
Total current assets	**8,726,802**	**9,452,464**	**11,565,222**	**12,944,425**	**14,180,811**
Current liabilities					
Accounts and bills payables	3,886,070	4,852,862	6,721,591	6,971,097	7,601,446
Financial liabilities at fair value through profit or loss	838	–	–	–	–
Contract liabilities	7,997	5,795	11,970	30,408	47,226
Other payables and accruals	518,700	661,045	659,527	1,077,724	1,178,307
Convertible bonds	11,974	4,283	–	–	–

	As of December 31,			As of April 30,	As of July 31,
	2023	2024	2025	2026	2026
			(RMB in thousands)		
					(unaudited)
Interest-bearing bank and other borrowings	319,706	373,271	592,018	675,009	1,074,278
Lease liabilities . . .	18,214	11,020	16,747	12,417	11,682
Tax payable	68,579	55,949	53,243	19,124	37,837
Total current liabilities	**4,832,078**	**5,964,225**	**8,055,096**	**8,785,779**	**9,950,776**
Net current assets .	**3,894,724**	**3,488,239**	**3,510,126**	**4,158,646**	**4,230,035**

Comparison between April 30, 2026 and July 31, 2026

Our net current assets increased by 1.7% from RMB4,158.6 million as of April 30, 2026 to RMB4,230.0 million as of July 31, 2026, primarily due to the increase in our total current assets which outpaced the increase in our total current liabilities. Our total current assets increased by 9.6% from RMB12,944.4 million as of April 30, 2026 to RMB14,180.8 million as of July 31, 2026, primarily due to (i) the increase in trade and bills receivables of RMB1,241.7 million, (ii) the increase in inventories of RMB483.7 million, (iii) the increase in pledged and restricted deposits of RMB232.3 million, and (iv) the increase in time deposits with original maturity of over three months of RMB200.0 million, partially offset by (i) the decrease in cash and cash equivalents of RMB577.9 million and (ii) the decrease in debt investments at fair value through other comprehensive income of RMB356.7 million. Our total current liabilities increased by 13.3% from RMB8,785.8 million as of April 30, 2026 to RMB9,950.8 million as of July 31, 2026, primarily due to (i) the increase in accounts and bills payables of RMB630.3 million, (ii) the increase in interest-bearing bank and other borrowings of RMB399.3 million, and (iii) the increase in other payables and accruals of RMB100.6 million.

Comparison between December 31, 2025 and April 30, 2026

Our net current assets increased by 18.5% from RMB3,510.1 million as of December 31, 2025 to RMB4,158.6 million as of April 30, 2026, primarily due to the increase in our total current assets, which outpaced the increase in our total current liabilities. Our total current assets increased from RMB11,565.2 million as of December 31, 2025 to RMB12,944.4 million as of April 30, 2026, primarily due to (i) the increase in inventories of RMB701.0 million, (ii) the increase in cash and cash equivalents of RMB969.7 million, and (iii) the increase in prepayments, deposits and other receivables of RMB127.4 million partially offset by the decrease in trade and bills receivables of RMB190.1 million and the decrease in time deposits of RMB225.0 million. Our total current liabilities increased by 9.1% from RMB8,055.1 million as of December 31, 2025 to RMB8,785.8 million as of April 30, 2026, primarily due to (i) the increase in other payables and accruals of RMB418.2 million, (ii) the increase in accounts and bills payables of RMB249.5 million, and (iii) the increase in interest-bearing bank and other borrowings of RMB83.0 million.

Comparison between December 31, 2024 and December 31, 2025

Our net current assets increased by 0.6% from RMB3,488.2 million as of December 31, 2024 to RMB3,510.1 million as of December 31, 2025 due to the increase in our total current assets, which outpaced the increase in our total current liabilities. Our total current assets increased from RMB9,452.5 million as of December 31, 2024 to RMB11,565.2 million as of December 31, 2025, primarily due to (i) the increase in inventories of RMB773.2 million, (ii) the increase in trade and bills receivables of RMB517.9 million, and (iii) the increase in debt investments at fair value through other comprehensive income of RMB301.8 million, partially offset by the decrease in financial assets at fair value through profit or loss of RMB129.8 million. Our total current liabilities increased by 35.1% from RMB5,964.2 million as of December 31, 2024, to RMB8,055.1 million as of December 31, 2025, primarily due to (i) the increase in accounts and bills payables of RMB1,868.7 million, and (ii) the increase in interest-bearing bank and other borrowings of RMB218.7 million, partially offset by the decrease in other payables and accruals of RMB1.5 million.

Comparison between December 31, 2023 and December 31, 2024

Our net current assets decreased by 10.4% from RMB3,894.7 million as of December 31, 2023 to RMB3,488.2 million as of December 31, 2024 due to the increase in our total current liabilities, which outpaced the increase in our total current assets. Our total current assets increased from RMB8,726.8 million as of December 31, 2023 to RMB9,452.5 million as of December 31, 2024, primarily due to (i) the increase in trade and bills receivables of RMB452.4 million, and (ii) the increase in inventories of RMB378.4 million, partially offset by (i) the decrease in debt investments at fair value through other comprehensive income of RMB156.0 million, and (ii) the decrease in cash and cash equivalents of RMB130.0 million. Our total current liabilities increased from RMB4,832.1 million as of December 31, 2023, to RMB5,964.2 million as of December 31, 2024, primarily due to (i) the increase in accounts and bills payables of RMB966.8 million, and (ii) the increase in other payables and accruals of RMB142.3 million.

INDEBTEDNESS

As of December 31, 2023, 2024, 2025, April 30, 2026 and July 31, 2026, being the most recent practicable date for determining our indebtedness, our indebtedness included interest-bearing bank and other borrowings, convertible bonds and lease liabilities. The following table sets forth the breakdown of our indebtedness as of the dates indicated:

	As of December 31,			As of April 30, 2026	As of July 31, 2026
	2023	2024	2025		
	(RMB in thousands)				
					(unaudited)
Current					
Interest-bearing bank and other borrowings	319,706	373,271	592,018	675,009	1,074,278
Convertible bonds	11,974	4,283	–	–	–
Lease liabilities	18,214	11,020	16,747	12,417	11,682
Subtotal	349,894	388,574	608,765	687,426	1,085,960
Non-current					
Interest-bearing bank and other borrowings	416,917	284,063	1,863,943	4,123,836	5,030,941
Convertible bonds	2,640,361	1,027,889	–	–	–
Lease liabilities	8,323	3,566	11,912	13,350	13,088
Subtotal	3,065,601	1,315,518	1,875,855	4,137,186	5,044,029
Total	**3,415,495**	**1,704,092**	**2,484,620**	**4,824,612**	**6,129,989**

Interest-bearing Bank and Other Borrowings

As of December 31, 2023, 2024, 2025, April 30, 2026 and July 31, 2026, our interest-bearing bank and other borrowings (including current and non-current portions) consisted primarily of unsecured bank loans and other loans. See Note 30 to the Accountants' Report included in Appendix I to this prospectus for details of the interest rates and the maturity.

Our interest-bearing bank and other borrowings decreased from RMB736.6 million as of December 31, 2023 to RMB657.3 million as of December 31, 2024, primarily due to the repayment of due bank loans. Our interest-bearing bank and other borrowings significantly increased from RMB657.3 million as of December 31, 2024 to RMB2,456.0 million as of December 31, 2025, primarily because (i) we borrowed more bank loans in 2025 for the construction of our Shenzhen production base (Guangdong Province), Jishui production base (Ji'an City, Jiangxi Province), Xinfeng production base (Ganzhou City, Jiangxi Province) and Jinwan production base (Zhuhai City, Guangdong Province) and (ii) our other borrowings increased due to the increase in endorsed bank bills. Our interest-bearing bank and other borrowings increased RMB2,456.0 million as of December 31, 2025 to RMB4,798.8 million as of April 30, 2026 primarily because we required significant capital investment to support our production capacity expansion. We further recorded RMB6,105.2 million interest-bearing bank borrowings as of July 31, 2026.

Certain borrowings during the Track Record Period were secured by our buildings and land use rights. The carrying amount of our bank borrowings secured by buildings were RMB683.9 million, RMB1,081.1 million, RMB1,256.3 million and RMB1,251.5 million as of December 31, 2023, 2024, 2025 and April 30, 2026, respectively. The carrying amount of our bank borrowings secured by land use rights were RMB47.8 million, RMB88.9 million, RMB86.6 million and RMB104.5 million as of December 31, 2023, 2024, 2025 and April 30, 2026, respectively.

As of July 31, 2026, our total banking facilities amounted to RMB16,305.0 million, of which RMB9,355.4 million were unutilized.

Convertible Bonds

In August 2020 and April 2023, we issued convertible bonds of RMB1,780 million and convertible bonds of RMB1,154 million, respectively. Our convertible bonds decreased from RMB2,652.3 million as of December 31, 2023 to RMB1,032.2 million as of December 31, 2024 because certain holders converted the convertible bonds to shares. Our convertible bonds decreased to nil as of December 31, 2025 due to our early redemption.

Lease Liabilities

Our total lease liabilities decreased from RMB26.5 million as of December 31, 2023 to RMB14.6 million as of December 31, 2024, primarily due to the lease payment of certain leases. Our total lease liabilities increased to RMB28.7 million as of December 31, 2025, primarily due to the increase of leases of production bases. Our total lease liabilities decreased to RMB25.8 million as of April 30, 2026, primarily due to lease payments of RMB8.1 million during the four months ended April 30, 2026, partially offset by new leases of RMB4.9 million and interest accretion of RMB0.3 million during the same period.

Our total lease liabilities decreased to RMB24.8 million as of July 31, 2026.

No Other Outstanding Indebtedness

Our Directors confirm that, during the Track Record Period and up to the Latest Practicable Date, the agreements under our borrowings did not contain any covenant that would have a material adverse effect on our ability to make additional borrowings or issue debt or equity securities in the future. Our Directors further confirm that we had no defaults in bank borrowings, nor did we breach any covenants (that were not waived) during the Track Record Period and up to the Latest Practicable Date. Our Directors further confirm that during the Track Record Period and up to the Latest Practicable Date, we did not experience any material difficulties in obtaining bank loans and other borrowings, credit facilities, or withdrawal of facilities or requests for early repayment.

Except as disclosed above, as of July 31, 2026, being the most recent practicable date for determining our indebtedness, we did not have any outstanding mortgages, charges, debentures, other issued debt capital, bank overdrafts, borrowings, liabilities under acceptance or other similar indebtedness, hire purchase commitments, guarantees or other material contingent liabilities. Our Directors have confirmed that there has been no material change in our indebtedness since July 31, 2026.

CAPITAL EXPENDITURES

During the Track Record Period, our capital expenditures primarily consisted of purchases for items of property, plant and equipment and purchases for intangible assets. The table below sets forth our capital expenditures for the periods indicated.

	Year Ended December 31,			Four months ended April 30,
	2023	2024	2025	2026
	(RMB in thousands)			
Purchases for items of property, plant and equipment	1,427,883	1,830,997	2,762,785	2,071,706
Purchases for intangible assets	6,235	8,835	4,767	6,423
Total	**1,434,118**	**1,839,832**	**2,767,552**	**2,078,129**

We had capital expenditures of RMB1,434.1 million, RMB1,839.8 million and RMB2,767.6 million in 2023, 2024 and 2025, respectively, and RMB732.6 million and RMB2,078.1 million for the four months ended April 30, 2025 and 2026, respectively. We funded the capital expenditures mainly with cash generated from business operations and financing activities.

We plan to continue to make capital expenditures to support our business growth and expansion strategy. See "Future Plans and Use of Proceeds." We intend to fund these expenditures with available financial resources, including cash generated from operations, net proceeds from the Global Offering, and potential future equity or debt financing. We may adjust our capital expenditures for any given year according to our development plans or in light of market conditions and other factors we believe to be appropriate.

CONTRACTUAL OBLIGATIONS

Our capital commitments are related to contracted commitment for property, plant and equipment. As of December 31, 2023, 2024, 2025 and April 30, 2026, our capital commitments were RMB1,343.4 million, RMB1,612.2 million, RMB2,683.3 million and RMB3,327.8 million, respectively. We expect to satisfy our capital commitments using cash from operations.

CONTINGENT LIABILITIES

As of December 31, 2023, 2024 and 2025 and April 30, 2026, we did not have any material contingent liability, guarantee or any litigation or claim of material importance, pending or threatened against us or any member of our Group that is likely to have a material and adverse effect on our business, financial condition and result of operations.

KEY FINANCIAL RATIOS

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

	As of/For the year ended December 31,			As of/For the four months ended April 30,
	2023	2024	2025	2026
Revenue growth rate[(1)]	2.3%	17.7%	20.9%	17.8%
Gross profit margin[(2)]	23.2%	22.7%	21.6%	18.7%
Net profit margin[(3)]	8.5%	9.2%	8.1%	5.9%
Return on equity[(4)]	11.1%	11.6%	10.1%	7.0%
Liability to asset ratio[(5)]	47.9%	40.3%	44.1%	50.6%
Gearing ratio[(6)]	38.1%	14.8%	18.7%	36.9%

Notes:

(1) Calculated by dividing the difference between the current year/period's revenue and the previous year/period's revenue by the previous year/period's revenue multiplied by 100%. The revenue for the year ended December 31, 2022 is reported in accordance with the PRC Generally Accepted Accounting Principles.

(2) Calculated by dividing gross profit for the year/period by revenue for the corresponding year/period multiplied by 100%.

(3) Calculated by dividing profit for the year/period by revenue for the corresponding year/period multiplied by 100%.

(4) Calculated by dividing profit attributable to the shareholders of the Company by average of beginning and ending balance of equity attributable to shareholders of the Company for the year/period multiplied by 100%. As for the return on equity as of/for the four months ended April 30, 2026, calculated by dividing profit attributable to the shareholders of the Company by the average of the beginning and ending balance of equity attributable to shareholders of the Company for the period, multiplied by 100%, and then annualized by multiplying by 365 and dividing by 120 (being the number of days in the period).

(5) Calculated by dividing total liabilities by total assets as of the end of the year/period multiplied by 100%.

(6) Calculated by dividing total interest-bearing bank and other borrowings, convertible bonds and lease liabilities by total equity as of the end of the period.

RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time. For details of our material related party transactions, see Note 38 to the Accountants' Report included in Appendix I to this prospectus.

Our Directors are of the view that each of the related party transactions set out in Note 38 to the Accountants' Report included in Appendix I to this prospectus was conducted in the ordinary course of business on an arm's length basis and with normal commercial terms between the relevant parties. Our Directors are also of the view that our related party transactions during the Track Record Period would not distort our track record results or cause our historical results to become non-reflective of our future performance.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet arrangements. We also have not entered into any financial guarantees or other commitments to guarantee the payment obligations of third parties. In addition, we have not entered into any derivative contracts that are indexed to our equity interests and classified as owners' equity. Furthermore, we do not have any retained or contingent interest in assets transferred to an unconsolidated entity that serves as credit, liquidity or market risk support to such entity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or that engages in leasing, hedging or R&D services with us.

FINANCIAL RISKS DISCLOSURE

We are exposed to various types of financial risks, including foreign currency risk, credit risk and liquidity risk.

Foreign Currency Risk

Our main businesses are located in the Chinese mainland and the transactions are conducted in Renminbi. Most of our assets and liabilities are denominated in Renminbi, except for certain cash and bank balances denominated in U.S. dollar, euro, Hong Kong dollar and others. We have not hedged our foreign exchange rate risk. See Note 41 to the Accountants' Report in Appendix I to this prospectus for details of sensitivity.

Credit Risk

An impairment analysis was performed at end of each of the Track Record Period using a provision matrix to measure expected credit losses. The provision rates are based on ageing 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. See Note 41 to the Accountants' Report in Appendix I to this prospectus for details of maximum exposure and year/period-end staging.

Liquidity Risk

We monitor our 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, such as trade and bills receivables, and projected cash flows from operations. See Note 41 to the Accountants' Report in Appendix I to this prospectus for details of the maturity profile of our financial liabilities.

DIVIDENDS

Dividends 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. During the Track Record Period, we paid dividends of RMB423.6 million, RMB420.9 million and RMB740.4 million in 2023, 2024 and 2025, respectively. Our dividend payout ratio was 45.0%, 64.0% and 44.0% in 2023, 2024 and 2025, respectively. The final dividend of RMB5.0 per ten ordinary share (tax inclusive) in respect of the year ended December 31, 2022 was approved at the annual general meeting of the Company and subsequently paid on June 7, 2023. The final dividend of RMB5.0 per 10 ordinary share (tax inclusive) in respect of the year ended December 31, 2023 was approved at the annual general meeting of the Company and subsequently paid on June 6, 2024. The final dividend of RMB8.0 per ten ordinary share (tax inclusive) in respect of the year ended December 31, 2024 was approved at the annual general meeting of the Company and subsequently paid on June 11, 2025.

Any declaration and payment, as well as the amount of dividends, will be subject to our Articles of Association and the relevant PRC laws. We currently do not have any fixed dividend payout ratio. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. As confirmed by our PRC Legal Advisor, according to relevant PRC laws, any future net profit that we make will have to be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. We will, therefore, only be able to declare dividends after: (i) all our historically accumulated losses have been made up for; and (ii) we have allocated sufficient net profit to our statutory common reserve fund as described above.

DISTRIBUTABLE RESERVES

As of April 30, 2026, we had distributable reserves of RMB6,171.1 million.

LISTING EXPENSES

Listing expenses represent professional fees, underwriting commission and other fees incurred in connection with the Global Offering. Listing expenses to be borne by us are estimated to be approximately RMB118.1 million (HK$136.7 million), comprising: (i) underwriting fees of RMB70.3 million (HK$81.4 million); and (ii) non-underwriting related expenses of RMB47.8 million (HK$55.3 million), which are further categorized into: (a) fees and expenses of legal advisors and accountants of RMB27.5 million (HK$31.8 million); and (b) other fees and expenses of RMB20.3 million (HK$23.5 million), based on the Offer Price of HK$69.88 per Offer Share (being the maximum Offer Price), approximately RMB11.0 million (HK$12.7 million) of which is expected to be charged to our consolidated statements of profit or loss, and approximately RMB107.1 million (HK$124.0 million) of which is expected to be deducted from equity upon the completion of the Global Offering. The listing expenses are expected to represent approximately 2.68% of the gross proceeds of the Global Offering, assuming an Offer Price of HK$69.88 per Offer Share (being the maximum Offer Price). The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

See “Appendix II — Unaudited Pro Forma Financial Information.”

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that up to the date of this prospectus there has been no material adverse change in our financial or trading position or prospects since April 30, 2026, being the end date of the periods reported in Appendix I to this prospectus, and there is no event since April 30, 2026 that would materially affect the information as set out in the Accountants’ Report in Appendix I to this prospectus.

Unaudited Financial Information for the Six Months Ended June 30, 2026

We are a public company listed on the Shanghai Stock Exchange and we have disclosed unaudited key financial information prepared under PRC GAAP as at and for the six months ended June 30, 2026 pursuant to the relevant PRC securities laws and regulations. We have included our unaudited interim condensed consolidated financial information prepared in accordance with IAS 34, Interim Financial Reporting as at and for the six months ended June 30, 2026 in Appendix IA to this prospectus. Our unaudited interim condensed consolidated financial information as of and for the six months ended June 30, 2026 has been reviewed by our reporting accountant in accordance with Hong Kong Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. The members of the Board, including those of the Audit Committee, have received and reviewed the unaudited interim condensed consolidated financial information of the Group for the six months ended June 30, 2026, as set out in Appendix IA to this prospectus. We have complied with the code provisions in Part 2 of the Corporate Governance Code, except for code provision C.2.1 of part 2 of the Corporate Governance Code. See “Directors and Senior Management — Management and Corporate Governance — Corporate Governance Code” for further details. We are not in breach of our Articles of Association or laws and regulations of the PRC or other regulatory requirements as a result of not distributing such interim reports in accordance with the requirements under Rule 13.48(1) of the Listing Rules. Pursuant to the Note to Rule 13.48(1) of the Listing Rules, we do not intend to distribute a separate interim report in respect of the six months ended June 30, 2026 under the aforementioned Rule. For details, please see "Appendix IA — Unaudited Interim Condensed Consolidated Financial Information".

DISCLOSURE REQUIRED UNDER THE LISTING RULES

Our Directors confirm that, as of the Latest Practicable Date, there was no circumstance that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

FUTURE PLANS

Please see "Business — Our Growth Strategies" for a detailed description of our future plans.

AI represents an essential part of our future strategies, and we intend to allocate a significant portion of proceeds to AI-related initiatives as we believe the AI-related demand can become a key driver for our business growth. The rapid advancement of AI technologies is driving demand for computing power and high-speed data transmission, accelerating the construction and upgrading of data infrastructure. As a key carrier and interconnection component in data infrastructure hardware such as AI servers and switches, AI-related PCB's demand is increasing. In particular, the continued deployment of AI servers is driving demand for HLC PCB and HDI PCB, while the expansion of large-scale GPU clusters is increasing switch port density and bandwidth requirements, further driving demand for high-speed PCB. Benefiting from the growing adoption of AI applications and the expansion of data infrastructure, in terms of revenue, the market size of the global data infrastructure PCB industry grew from US$6.4 billion in 2020 to US$18.1 billion in 2025 and is expected to reach US$36.4 billion by 2030, representing a CAGR of 15.0% from 2025 to 2030.

We believe that we are well-positioned to capture significant growth opportunities from AI-related demand in terms of our strategy, technology and customer base:

- In terms of our strategy, we have prioritized the development of our AI business and plan to continue expanding our footprint in this sector by building and expanding production capacity and recruiting talent. For example, at our Jinwan production base (Zhuhai City, Guangdong Province), we have upgraded the process technologies of our existing HLC and HDI facilities and are constructing a new high-end HDI plant to further expand our high-build-up HDI and HLC PCB production capacity for applications such as AI servers.

- In terms of our technology, we have achieved mass production capabilities for M7-to-M9 high-speed material-based products and have mastered the multilayer PTFE FPC processing capabilities, which are uncommon in the industry and important for satisfying AI-related demand. In addition, we can manufacture 9-build-up 28-layer HDI PCB, offering wiring density two to three times that of traditional HDI PCB to meet the requirements of advanced AI chips. We are also accelerating the R&D of 11-build-up HDI PCB, upgrading product specifications and positioning ourselves for the next generation of AI computing products. We plan to further capitalize on the technological capabilities accumulated across other business segments to capture the growing opportunities in AI. In particular, we leverage our expertise in any-layer HDI PCB developed for smart devices to further develop high-build-up HDI PCB for AI computing. Our established capabilities in HLC PCB for telecommunication can be further extended to meet the increasingly stringent requirements of AI infrastructure.

- In terms of our customer base, we maintain stable cooperations with customers across both AI computing power and edge AI application sectors. According to CIC, we are one of the few suppliers of multilayer PTFE PCB for leading global AI computing infrastructure companies' advanced GPU products, and as of April 30, 2026, we were one of only two FPC suppliers for their AI server liquid cooling systems. To facilitate the further development of our AI-related PCB business, we have enhanced efforts to expand our AI-related customer base, including building dedicated internal departments and teams which are responsible for marketing and sales of AI-related products and the relevant customer acquisition. We typically conduct deep research on potential AI-related customers' specific demands and the general AI-related PCB industry trend, and then approach them by customer visits to discuss and offer how our technologies, production capabilities and product offerings can serve their AI-related demands. We also actively participate in AI-related industry exhibitions such as the Nvidia GPU Technology Conference (GTC) to explore cooperation opportunities with potential AI-related customers. Our existing expertise and technologies for other business segments are essential to building customer trust in our engagement with potential AI-related customers. For example, we have leveraged our cross-category design capability, which comes from our diverse expertise in RPCB, FPC, rigid-flex PCB and MPCB technologies, to convince potential AI-related customers that we have the capabilities to serve their AI-related demands.

Please refer to the "Our Business — Our Competitive Strengths" in this prospectus for details.

In particular, AI servers are a critical data infrastructure category built for complex AI computations and deep learning tasks. The explosive growth in AI computing demand is positioning AI servers as the fastest-growing segment in the data infrastructure market. According to CIC, in terms of revenue, the market size of global AI server industry expanded from US$15.9 billion in 2020 to US$232.7 billion in 2025, with a CAGR of 71.1% during this period. It is expected to reach US$1,054.4 billion by 2030, with a CAGR of 35.3% from 2025 to 2030. As the core physical support and electrical interconnection carrier for accelerator chips in AI servers, PCB enables high-speed signal transmission, power distribution, thermal management, and physical protection, and is critical to fully utilizing AI computing power. In terms of revenue, the global AI server PCB market grew from US$0.5 billion in 2020 to US$6.2 billion in 2025, and is projected to reach US$18.5 billion by 2030, representing a CAGR of 24.3% from 2025 to 2030. We are well-positioned to capture the business opportunities stemming from the rapid growth in this particular AI market, which has brought about robust market demands for our AI-related PCB products, including MLPCB, HDI and FPC products. Our technological reserve and production capabilities in terms of AI-related PCB as detailed above have also enhanced our ability to serve AI server customers. Our revenue from AI-related PCB increased significantly from RMB0.2 million in 2023 to RMB14.5 million in 2024 and RMB198.2 million in 2025, which also significantly increased from RMB42.2 million in the four months ended April 30, 2025 to RMB267.8 million in the same period in 2026, which aligns with the rapid growth in the AI server industry. In addition to AI servers, we have also acquired customers from other AI-related PCB end markets such as the optical modules industry, substantiating our diverse customer base in terms of AI-related PCB products.

We intend to remain focused on our AI strategy going forward and take further steps to facilitate it, including but not limited to continuously enhancing our high-end production capacity to address AI-related demand, building diverse AI-related product portfolio, increasing R&D investment to enhance technical capabilities in AI-related PCB, leveraging existing customer resources to seize development opportunities, and building a global talent team to support our AI strategy. Please refer to the "Our Business — Our Growth Strategies" in this prospectus for details.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK$4,960.6 million, after deducting underwriting commissions, fees and estimated expenses payable by us in connection with the Global Offering, assuming an Offer Price of HK$69.88 per Offer Share, being the maximum Offer Price stated in this prospectus.

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

(a) approximately 60%, or approximately HK$2,976.4 million, of the net proceeds will be used to expand and upgrade our production capacity for high value-added products to meet AI-driven demand and enhance our manufacturing capabilities. In particular:

  (i) approximately 36%, or approximately HK$1,785.8 million, of the net proceeds will be used to substantially increase production capacity in Jinwan production base (Zhuhai City, Guangdong Province) for HLC PCB and high-build-up HDI PCB, primarily for the procurement of next-generation high-precision automated equipment including laser drilling machines, PLB horizontal plating lines, CT penetration tester, and CCD back-drilling machines. Such proposed allocation of net proceeds from the Global Offering for the expansion of the Jinwan production base (Zhuhai City, Guangdong Province), together with our cash and bank borrowings, forms part of the RMB5.0 billion investment plan as announced in August 2025. See "Business — Production — Our Production Facilities — Expansion of Jinwan Production Base" for further details. Despite the procurement of automated equipment, our need for additional staff, particularly those with requisite expertise to operate various equipment, still sustains as we expand production capacity and some key production steps still require human operations. We also plan to hire approximately 2,000 staff for our Jinwan production base (Zhuhai City, Guangdong Province) in the following five years; and

  (ii) approximately 24%, or approximately HK$1,190.5 million, of the net proceeds will be used to upgrade production capacity in Longchuan production base (Heyuan City, Guangdong Province) for multilayer FPC for edge AI and smart device applications, primarily the purchase of high-precision equipment to serve lightweight, highly integrated multilayer FPC used in AI smartphones, premium wearables, smart home devices and displays, including roll-to-roll high-speed exposure machines, carbon dioxide laser drilling machines, ultraviolet laser drilling machines, and picosecond laser cutting machines. We also plan to hire approximately 900 staff for our Longchuan production base (Heyuan City, Guangdong Province) in the following five years.

(b) approximately 15%, or approximately HK$744.1 million, of the net proceeds will be used to strengthen our research and development and technology reserves in next-generation electronic information technologies. In particular:

(i) approximately 10%, or approximately HK$496.1 million, of the net proceeds is expected to be allocated to pursue breakthroughs in AI computing infrastructure and next-generation high-speed interconnect solutions, including R&D for HLC PCB and high-build-up HDI PCB, AI accelerator cards, Z-direction interconnect backplanes, and ultra-high-speed switch PCB (including 224G/448G, CPO/CPC), as well as application and mass-production processes for next-generation ultra-low-loss materials; and

(ii) approximately 5%, or approximately HK$248.0 million, of the net proceeds is expected to advance our long-term oriented layout in high-end automotive electronics PCB technologies for intelligent connected vehicles, targeting automotive-grade PCB for millimeter-wave radar and domain controllers.

To facilitate the foregoing R&D initiatives, over the next five years, we plan to recruit 1,000 R&D talents, covering all levels, including more than 80 high-level talents focusing on tackling core technical challenges. We expect at least 95% of such R&D talents to have a full-time undergraduate degree, and at least 300 of them to have a master's degree or above. Moreover, the target candidates should possess R&D capabilities for high-end PCB products with expertise in electronic information engineering, materials or chemistry, and have more than five years of R&D experience in these areas.

(c) approximately 15%, or approximately HK$744.1 million, of the net proceeds will be used to repay a portion of our existing interest-bearing bank borrowings. The bank loans to be repaid have maturity dates ranging from 2027 to 2034, with annual interest rates ranging from 2.4% to 4.5%. This is expected to optimize our capital structure, lower our asset-liability ratio, reduce interest expenses and free up cash flow for core business development, thereby strengthening our resilience against macroeconomic volatility.

(d) approximately 10%, or approximately HK$496.1 million, of the net proceeds will be used for working capital and other general corporate purposes, including raw material procurement, employee compensation, logistics and other day-to-day operating needs to support our ongoing business expansion and globalization.

To the extent that our net proceeds are not sufficient to fund the purposes set out above, we intend to fund the balance through a variety of means, including cash available on hands, bank loans and other borrowings.

To the extent that the net proceeds of the Global Offering are not immediately required for the above purposes or if we are unable to put into effect any part of our development plan as intended, we may deposit the net proceeds into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions). In such event, we will comply with all applicable disclosure requirements as mandated by the Listing Rules.

HONG KONG UNDERWRITERS

CLSA Limited
Merrill Lynch (Asia Pacific) Limited
Guolian Securities International Capital Co., Limited

UNDERWRITING AGREEMENTS

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, our Company is offering initially 7,294,500 Hong Kong Offer Shares (subject to adjustment) for subscription by the public in Hong Kong at the Offer Price on and subject to the terms and conditions of this prospectus.

Subject to (a) the Stock Exchange granting approval for the listing of, and permission to deal in, the H Shares in issue and to be issued pursuant to the Global Offering as mentioned in this prospectus and (b) certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have severally agreed to subscribe or procure subscriptions for their respective applicable proportions of the Hong Kong Offer Shares now being offered but 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 and subject to the International Underwriting Agreement having been signed and becoming unconditional and not having been terminated in accordance with its terms.

Grounds for Termination

The Joint Sponsors and Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) may, in their sole and absolute discretion, and upon giving written notice to our Company to terminate the Hong Kong Underwriting Agreement with immediate effect if prior to 8:00 a.m. on the Listing Date:

(a) there shall develop, occur, exist or come into effect:

(i) any new law or regulation or any change or any 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 (or the interpretation or application thereof by any court or any other competent Governmental Authority of) existing laws or regulations in or affecting Hong Kong, the PRC, the United States, Thailand, or any other jurisdictions relevant to our Group or the Global Offering (each a "**Relevant Jurisdiction**" and collectively, the "**Relevant Jurisdictions**"); or

(ii) any change, or any development involving a prospective change (whether or not permanent) or development, or any event or circumstance or series of events resulting or likely to result in a change or prospective change (whether or not permanent) or development, in any local, national, regional or international financial, economic, political, military, industrial, legal, fiscal, regulatory, currency, credit or market conditions or sentiments, Taxation (as defined in the Hong Kong Underwriting Agreement), 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, USD 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 USD or the Renminbi is linked to any foreign currency or currencies) or other financial markets (including, without limitation, conditions and sentiments in the stock and bond markets, money and foreign exchange markets, the interbank markets and credit markets) in or affecting any Relevant Jurisdictions, or affecting an investment in the Offer Shares; or

(iii) any or a series of local, national, regional or international event(s) or circumstance(s) in the nature of force majeure (including, without limitation, any acts of government or order of any courts, declaration of a regional, national or international emergency or war, calamity, crisis, epidemic, pandemic, accident or interruption or delay in transportation, outbreak or escalation, mutation or aggravation of infectious diseases, economic sanctions, labour disputes, strikes, lock-outs, fire, explosion, flooding, tsunami, earthquake, volcanic eruption, civil commotion, riots, other industrial actions, rebellion, paralysis in government operations, public disorder, acts of war, local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared), acts of God or acts of terrorism (whether or not responsibility has been claimed)) in or directly or indirectly 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 New York Stock Exchange, the NASDAQ Global Market, the London Stock Exchange, the Tokyo Stock Exchange or the Singapore 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) other than with the prior written consent of the Overall Coordinators, the issue or requirement to issue by our Company of any supplement or amendment to this prospectus or other documents in connection with the offer and sale of the Offer Shares pursuant to the Companies Ordinance or the Companies (Winding Up and Miscellaneous Provisions) Ordinance or the Listing Rules or upon any requirement or request of the Stock Exchange and/or the SFC; or

(vii) the commencement by any Governmental Authority or other regulatory or political body or organization of any public action or investigation against our Company or a member of the Group or a director or a senior management member of any member of the Group or announcing an intention to take any such action; or

(viii) the imposition of sanctions or export controls in whatever form, directly or indirectly, on any member of the Group or any member of the Controlling Shareholders or by or on any Relevant Jurisdiction, or the withdrawal of trading privileges which existed on the date of the Hong Kong Underwriting Agreement, in whatever form, directly or indirectly, by, or for, any Relevant Jurisdiction; or

(ix) any valid demand by creditors for payment or repayment of indebtedness of any member of the Group or in respect of which any member of the Group is liable prior to its stated maturity; or

(x) any non-compliance of this prospectus (or any other documents used in connection with the contemplated offering, allotment, issue, subscription or sale of any of the Offer Shares), the Offering Documents (as defined in the Hong Kong Underwriting Agreement), the CSRC Filings or any aspect of the Global Offering with the Listing Rules, the CSRC Rules or any other applicable Laws; or

(xi) any litigation, dispute, legal action, claim, regulatory or administrative investigation or action being threatened, instigated or announced against any member of our Group or any Director or senior management members or our Controlling Shareholders as named in this prospectus; or

(xii) any valid demand by any creditor for repayment or payment of any indebtedness of any member of our Group or in respect of which any member of our Group is liable prior to its stated maturity or any loss or damage sustained by that member of our Group (howsoever caused and whether or not the subject of any insurance or claim against any person); or

(xiii) any contravention by our Company or any member of our Group or any Director or any member of the senior management of our Company of the Listing Rules or applicable Laws; or

(xiv) any change, development or event involving a prospective change in, or a materialization of, any of the risks set out in the section headed "Risk Factors" of this prospectus; or

(xv) the chairman of the Board, any 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

which, in any such case individually or in the aggregate, in the sole and absolute opinion of the Joint Sponsors and the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters), (1) has or will have or may have a material adverse effect, whether directly or indirectly, on the assets, liabilities, general affairs, business, management, prospects, shareholders' equity, profits, losses, results of operations, performance, position or condition, financial or otherwise, of our Company or our Group as a whole; or (2) has or will have 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 inadvisable, inexpedient, impracticable or incapable for any material part of the Hong Kong Underwriting Agreement, the Hong Kong Public Offering and/or the Global Offering to be performed or implemented as envisaged, or for the Hong Kong Public Offering and/or the Global Offering to proceed or to market the Global Offering or the delivery or distribution of the Offer Shares on the terms and in the manner contemplated by the Offering Documents (as defined in the Hong Kong Underwriting Agreement); or (4) has or will have or may have the effect of making any part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or preventing the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or

(b) there has come to the notice of the Joint Sponsors or the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) that:

(i) any statement contained in any of the Offering Documents, the Operative Documents, the OC Announcements (as defined in the Hong Kong Underwriting Agreement), the CSRC Filings and/or any notices, announcements, advertisements, communications or other documents issued or used by or for or on behalf of our Company in connection with the Hong Kong Public Offering and the Global Offering (collectively, the "**Global Offering Documents**") (including any supplement or amendment thereto) was, when it was issued, or has become, untrue, incorrect, inaccurate, incomplete in any material respect or misleading or deceptive; or that any estimate, forecast, expression of opinion, intention or expectation contained in any of such documents (including any supplement or amendment thereto) was, when it was issued, or has become unfair, incomplete 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 from, or misstatement in, any of the Global Offering Documents (including any supplement or amendment thereto); or

(iii) any breach of, or any event or circumstance rendering untrue, inaccurate, incorrect, incomplete or misleading in any material respect, any of the representations, warranties and undertakings given, or when repeated, by our Company in the Hong Kong Underwriting Agreement or the International Underwriting Agreement, which will have a material adverse effect on the Global Offering; or

(iv) any event, act or omission which gives or is likely to give rise to any liability of any of the Indemnifying Parties (as defined in the Hong Kong Underwriting Agreement) 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 under the Hong Kong Underwriting Agreement or the International Underwriting Agreement, as applicable; or

(vi) there is any change or development involving a prospective change, constituting or having a Material Adverse Effect (as defined in the Hong Kong Underwriting Agreement); or

(vii) the chairman of the Board, any Director or any member of senior management of our Company named in this prospectus seeks to retire, or is removed from office or vacating her/his office; or

(viii) any Director or member of senior management of our Company as named in this prospectus is being charged with an indictable offence or is prohibited by operation of law or otherwise disqualified from taking part in the management or taking directorship of a company or the commencement by any governmental, political or regulatory body of any action against any Director in his or her capacity as such or an announcement by any governmental, political or regulatory body that it intends to take any such action; 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 Stock Exchange 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 date of the Listing, 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) an order or petition is presented for the winding-up or liquidation of any member of our Group, or any composition or arrangement is made by any member of our Group with its creditors or a scheme of arrangement is entered into by any member of our Group or any resolution is passed for the winding-up of any member of our Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of our Group or anything analogous thereto occurring in respect of any member of our Group; or

(xiv) (A) the notice of acceptance of the CSRC Filings issued by the CSRC and/or the results of the CSRC Filings published on the website of the CSRC is rejected, withdrawn, revoked or invalidated; or (B) other than with the prior written consent of the Overall Coordinators, the issue or requirement to issue by the Company of a supplement or amendment to the CSRC Filings pursuant to the CSRC Rules or upon any requirement or request of the CSRC; or (C) any non-compliance of the CSRC Filings with the CSRC Rules or any other applicable Laws; or

(xv) that (i) a material portion of the orders placed or confirmed in the bookbuilding process, or (ii) any investment commitments made by any cornerstone investors under the Cornerstone Investment Agreements (as defined in the Hong Kong Underwriting Agreement) signed with such cornerstone investors, have been withdrawn, terminated or cancelled, or with respect to which the payment of the relevant orders and/or investment commitment has not been received or settled in the stipulated time and manner or otherwise.

International Underwriting Agreement

In connection with the International Offering, it is expected that we will enter into the International Underwriting Agreement on or about Friday, September 25, 2026 with, among others, the Overall Coordinators and the International Underwriters. Under the International Underwriting Agreement, the International Underwriters, subject to certain conditions set out therein, will agree severally to purchase, or procure subscribers or purchasers for, the International Offer Shares being offered pursuant to the International Offering. Please see the paragraph headed "Structure of the Global Offering — The International Offering" in this prospectus.

LOCK-UP UNDERTAKINGS

Undertakings by our Company under the Listing Rules

Pursuant to Rule 10.08 of the Listing Rules, we have undertaken to the Stock Exchange that we will not issue any further Shares or securities convertible into equity securities (whether or not of a class already listed) or enter into any agreement to such issue within six months from the Listing Date (whether or not such issue of Shares or our securities will be completed within six months from the Listing Date), except for under the circumstances permitted under Rule 10.08 of the Listing Rules.

Undertakings by our Controlling Shareholders under the Listing Rules

In accordance with Rule 10.07(1) of the Listing Rules, each of the Controlling Shareholders has undertaken to us and the Stock Exchange that, except pursuant to the Global Offering, it/he/she shall not, and shall procure that the registered holder(s) of the Shares shall not:

(a) in the period commencing on the date of the prospectus and ending on the date which is six months from the Listing Date (the "**First Six-Month Period**"), 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 Shares or securities of the Company in respect of which it/he/she is shown in the prospectus to be the beneficial owners; or

(b) in the period of six months commencing on the date on which the First Six-month Period expires (the "**Second Six-Month Period**"), 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 Shares or securities referred to in (a) above if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, it/he/she would cease to be a Controlling Shareholder of our Company.

In addition, in accordance with Note 3 to Rule 10.07(2) of the Listing Rules, each of our Controlling Shareholders has further undertaken to us and the Stock Exchange that, during the First Six-Month Period and the Second Six-Month Period, it/he/she will:

(i) when it/he/she pledges or charges any Shares or securities of our Company beneficially owned by it/he/she in favor of an authorized institution (as defined in the Banking Ordinance, Chapter 155 of the Laws of Hong Kong) pursuant to Note 2 to Rule 10.07(2) of the Listing Rules, immediately inform us of such pledge or charge together with the number of Shares or securities of our Company so pledged or charged; and

(ii) when it/he/she receives indications, either verbal or written, from the pledgee or chargee that any of the pledged or charged Shares or securities of our Company will be disposed of, immediately inform us in writing of such indications.

We will inform the Stock Exchange as soon as we have been informed of the matters referred to in paragraphs (i) and (ii) above by any of our Controlling Shareholders and make a public disclosure in relation to such information by way of an announcement in accordance with the Listing Rules as soon as possible.

Undertaking by our Company pursuant to the Hong Kong Underwriting Agreement

Except for the issue, offer or sale of the Offer Shares by our Company pursuant to the Global Offering or for issue, offer or sale of Shares by our Company consented to by the Stock Exchange, during the period commencing on the date of the Hong Kong Underwriting Agreement and ending on, and including, the date that is six months after the Listing Date (the "**First Six-Month Period**"), our Company undertakes to each of the Overall Coordinators, the Joint Global Coordinators, the Joint Sponsors, the Joint Bookrunners, the Joint Lead Managers, the Capital Market Intermediaries and the Hong Kong Underwriters not to, without the prior written consent of the Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and the Joint Sponsors and unless in compliance with the requirements of the Listing Rules:

(a) offer, allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, mortgage, charge, pledge, hypothecate, lend, assign, grant or sell any option, warrant, right or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, 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 any Shares or other securities of our Company, as applicable, or any interests in any of the foregoing (including, but not limited to, any securities that are convertible into or exercisable or exchangeable for, or that represent the right to receive, or any warrants or other rights to purchase, any Shares or deposit any Shares or other securities of our Company, as applicable, with a depositary in connection with the issue of depositary receipts; or

(b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of subscription or ownership (legal or beneficial) of any Shares or other securities of our Company, as applicable, or any interest therein (including, without limitation, any securities of which are convertible into or exchangeable or exercisable for, or represent the right to receive, or any warrants or other rights to purchase any Shares; or

(c) enter into any transaction with the same economic effect as any transaction specified in (a) or (b) above; or

(d) offer to or contract to or agree to announce, or publicly disclose that our Company will or may enter into any transaction described in (a), (b) or (c) above,

in each case, whether any of the transactions specified in paragraphs (a), (b) and (c) above is to be settled by delivery of Shares or other securities of the Company, as applicable, in cash or otherwise (whether or not the issue of such Shares or other securities will be completed within the First Six-month Period).

In the event that, 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 enters into any of the transactions specified in paragraphs (a), (b) or (c) above or offers to or agrees to or contracts to or announces or publicly discloses, any intention to, enter into any such transactions, our Company shall take all reasonable steps to ensure that it will not create a disorderly or false market in the Shares or any other securities of our Company.

COMMISSIONS AND EXPENSES

Our Company will pay an underwriting commission of 1.10% of the aggregate Offer Price of all the Offer Shares (the "**Fixed Fees**"). Our Company may, at our sole and absolute discretion, pay an additional incentive fee of up to 0.65% of the Offer Price in respect of all the Offer Shares (the "**Discretionary Fees**"). The ratio of Fixed Fees and Discretionary Fees payable is therefore 63%: 37% (on the basis that the Discretionary Fees will be fully paid). For unsubscribed Hong Kong Offer Shares reallocated to the International Offering, we will pay an underwriting commission at the rate applicable to the International Offering and such commission will be paid to the relevant International Underwriters and not the Hong Kong Underwriters. The Joint Sponsors are entitled to a sponsor fee in the aggregate amount of US$1,000,000.

HONG KONG UNDERWRITERS' INTERESTS IN OUR COMPANY

Save for their respective obligations under the Hong Kong Underwriting Agreement and the International Underwriting Agreement, as of the Latest Practicable Date, none of the Hong Kong Underwriters has any shareholding interest in any member of our Group or any right or option (whether legally enforceable or not) to purchase or subscribe for or to nominate persons to purchase or subscribe for securities in 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 Shares as a result of fulfilling their obligations under the Hong Kong Underwriting Agreement and/or the International Underwriting Agreement.

JOINT SPONSORS' INDEPENDENCE

Each of the Joint Sponsors satisfies the independence criteria set out in Rule 3A.07 of the Listing Rules.

ACTIVITIES BY SYNDICATE MEMBERS

The Hong Kong Underwriters and the International Underwriters (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.

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 our Company and/or persons and entities with relationships with our Company and may also include swaps and other financial instruments entered into for hedging purposes in connection with our Group's loans and other debt.

In relation to the 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 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. 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 Shares, in units of funds that may purchase the Shares, or in derivatives related to any of the foregoing.

In relation to issues by Syndicate Members or their affiliates of any listed securities having the H Shares as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the relevant rules of the exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in the Shares in most cases.

Such activities may affect the market price or value of the Shares, the liquidity or trading volume in the Shares and the volatility of the price of the Shares, and the extent to which this occurs from day to day cannot be estimated.

It should be noted that when engaging in any of these activities, the Syndicate Members will be subject to certain restrictions, including the following:

(a) the Syndicate Members must not, in connection with the distribution of the Offer Shares, effect any transactions (including issuing or entering into any option or other derivative transactions relating to the Offer Shares) whether in the open market or otherwise, with a view to stabilizing or maintaining the market price of any of the Offer Shares at levels other than those which might otherwise prevail in the open market; and

(b) the Syndicate Members must comply with all applicable laws and regulations, including the market misconduct provisions of the SFO, including the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

Certain of the Syndicate Members or their respective affiliates have provided from time to time, and expect to provide in the future, investment banking, derivative and other services to our Company and its affiliates for which such Syndicate Members or their respective affiliates have received or will receive customary fees and commissions.

THE HONG KONG PUBLIC OFFERING

Number of Shares Initially Offered

Our Company is initially offering 7,294,500 H Shares at the Offer Price under the Hong Kong Public Offering for subscription by the public in Hong Kong, representing approximately 10% of the 72,944,300 H Shares available under the Global Offering and approximately 0.68% of our total issued share capital immediately after completion of the Global Offering.

The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to institutional and professional investors in Hong Kong. In Hong Kong, individual retail investors are expected to apply for the Hong Kong Offer Shares through the Hong Kong Public Offering and individual retail investors, including individual investors in Hong Kong applying through banks and other institutions, seeking International Offer Shares will not be allotted International Offer Shares in the International Offering. The Overall Coordinators (for themselves and on behalf of the Underwriters) and the Joint Sponsors may require any investor who has been offered H 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 and the Joint Sponsors so as to allow them to identify the relevant applications under the Hong Kong Public Offering and to ensure that it is excluded from any application for the International Offering.

Completion of the Hong Kong Public Offering is subject to the conditions set out in the paragraph headed "— Conditions of the Global Offering" in this section.

Allocation

For allocation purposes only, the 7,294,500 H Shares initially being offered for subscription under the Hong Kong Public Offering (after taking into account any reallocation in the number of Offer Shares allocated between the Hong Kong Public Offering and the International Offering) will be divided equally (with any odd lots being allocated to pool A) into two pools: Pool A and Pool B, both of which are available on an equitable basis to successful applicants. All valid applications that have been received for the Hong Kong Offer Shares with an aggregate subscription price (excluding brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy) of HK$5 million or below will fall into Pool A and all valid applications that have been received for the Hong Kong Offer Shares with an aggregate subscription price (excluding brokerage, SFC transaction levy, Stock Exchange trading fee and AFRC transaction levy) of over HK$5 million and up to the total value of Pool B, will fall into Pool B.

Applicants should be aware that applications in Pool A and Pool B are likely to receive different allocation ratios. If the Hong Kong Offer Shares in one pool (but not both pools) are under-subscribed, the surplus Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly. Applicants can only receive an allocation of Hong Kong Offer Shares from either Pool A or Pool B but not from both pools and only apply for Hong Kong Offer Shares in either Pool A or Pool B. When there is over-subscription, allocation of Hong Kong Offer Shares to investors under the Hong Kong Public Offering, both in relation to Pool A and Pool B, will be based on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation in each pool may vary, depending on the number of Hong Kong Offer Shares validly applied for by each applicant. The allocation of Hong Kong Offer Shares could, where appropriate, consist of balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

Reallocation

Subject to the allocation cap described in the subsequent paragraph, the Overall Coordinators may in their discretion reallocate Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering. In addition, if the Hong Kong Public Offering is not fully subscribed, and the International Offer Shares are fully subscribed or oversubscribed, the Overall Coordinators will have the discretion (but shall not be under any obligation) to reallocate to the International Offering all or any unsubscribed Hong Kong Offer Shares in such amounts as they deem appropriate.

In each case, the additional Offer Shares reallocated to the Hong Kong Public Offering will be allocated between Pool A and Pool B and the number of Offer Shares allocated to the International Offering will be correspondingly reduced in such manner as the Overall Coordinators deem appropriate. Where the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times, up to 3,647,100 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 10,941,600 Offer Shares, representing approximately 15% of the number of Offer Shares initially available under the Global Offering. 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. Given the initial allocation of the Offer Shares to the Hong Kong Public Offering and the International Offering follows Mechanism B set out under paragraph 2 of Chapter 4.14 of the Guide for New Listing Applicants and the provision of Paragraph 4.2(b) of Practice Note 18 of the Listing Rules, no mandatory clawback or reallocation mechanism is required to increase the number of Offer Shares under the Hong Kong Public Offering to a certain percentage of the total number of Offer Shares offered under the Global Offering.

Details of any reallocation of Offer Shares between the Hong Kong Public Offering and the International Offering will be disclosed in the results announcement of the Global Offering, which is expected to be published on Monday, September 28, 2026.

Where the International Offer Shares are undersubscribed, if the Hong Kong Offer Shares are also undersubscribed, the Global Offering will not proceed unless the Underwriters would subscribe or procure subscribers for their respective applicable proportions of the Offer Shares being offered which are not taken up under the Global Offering on the terms and conditions of this prospectus and the Underwriting Agreements.

Applications

Each applicant under the Hong Kong Public Offering will also be required to give an undertaking and confirmation in the application submitted by him or her that he or she and any person(s) for whose benefit he or she is making the application have not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any Offer Shares under the International Offering, and such applicant's application under the International Offering will be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be).

Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channels), the maximum Offer Price of HK$69.88 per H Share in addition to any brokerage, SFC transaction levy, Stock Exchange trading fee and AFRC transaction levy payable on each Offer Share. If the Offer Price as finally determined is less than the maximum Offer Price of HK$69.88 per Offer Share, appropriate refund payments will be made to successful applications (subject to application channels), without interest. Further details are set out in the section headed "How to Apply for Hong Kong Offer Shares" in this prospectus.

THE INTERNATIONAL OFFERING

Number of International Offer Shares Offered

The number of International Offer Shares to be initially offered by us for subscription under the International Offering will consist of an initial offering of 65,649,800 Offer Shares, representing approximately 90% of the Offer Shares under the Global Offering, and approximately 6.11% of our total issued share capital immediately after completion of the Global Offering.

Allocation

Pursuant to the International Offering, the International Underwriters will conditionally place the International Offer Shares in the United States to QIBs in reliance on Rule 144A or another available exemption from the registration requirements under the U.S. Securities Act, as well as to institutional and professional investors and other investors expected to have a sizable demand for the H Shares in Hong Kong and other jurisdictions outside the United States in offshore transactions in reliance on Regulation S. The International Offering is subject to the Hong Kong Public Offering being unconditional.

Allocation of the International Offer Shares pursuant to the International Offering will be determined by the Overall Coordinators and will be based on a number of factors including the level and timing of demand, 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, and/or hold or sell Offer Shares after the Listing. Such allocation may be made to professional, institutional and corporate investors and is intended to result in a distribution of our Offer Shares on a basis which would lead to the establishment of a solid shareholder base to the benefit of our Company and our Shareholders as a whole.

Reallocation

The total number of International Offer Shares to be transferred pursuant to the International Offering may change as a result of the reallocation arrangement described in the paragraph headed "— The Hong Kong Public Offering — Reallocation" in this section and/or reallocation of all or any unsubscribed Hong Kong Offer Shares to the International Offering.

PRICING OF THE GLOBAL OFFERING

The maximum Offer Price HK$69.88 is determined after taking into account, amongst others, the historical trading price of the A Shares and prevailing macroeconomic and market conditions. The Offer Price is expected to be fixed by agreement between the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company on the Price Determination Date, when market demand for the Offer Shares will be determined. The Price Determination Date is expected to be on or before Friday, September 25, 2026 and in no event later than 12:00 noon on Friday, September 25, 2026.

We will determine the Offer Price by reference to, the closing price of the A Shares on the Shanghai Stock Exchange from the start of the Hong Kong Public Offering to the last trading day before the Price Determination Date (which is accessible to the Shareholders and potential investors at **https://www.sse.com.cn/assortment/stock/list/info/company/index.shtml?COMPANY_CODE=603228**), and the Offer Price will not be more than HK$69.88. The historical prices of our A Shares and trading volume on Shanghai Stock Exchange are set out below.

Period	**High**	**Low**	**ADTV[(1)]**
	(RMB)	*(RMB)*	*(A shares)*
Year ended December 31, 2023	27.87	19.22	7,349,525
Year ended December 31, 2024	32.71	15.98	15,289,670
Year ended December 31, 2025	81.54	26.31	31,924,258
Year of 2026 (up to the Latest Practicable Date)	111.75	53.89	33,582,921

Note:

(1) Average daily trading volume ("**ADTV**") represents daily average number of our A Shares traded over the relevant period rounded to the nearest share.

The International Underwriters will be soliciting from prospective investors indications of interest in acquiring Offer Shares in the International Offering. Prospective professional and institutional investors will be required to specify the number of H Shares under the International Offering they would be prepared to acquire either at different prices or at a particular price. This process, known as "book-building", is expected to continue up to, and to cease on or about, the last day for lodging applications under the Hong Kong Public Offering.

The total number of Offer Shares to be issued or sold pursuant to the International Offering may change as a result of any reallocation of unsubscribed Offer Shares originally included in the Hong Kong Public Offering and/or any Offer Shares from the International Offering to the Hong Kong Public Offering at the discretion of the Overall Coordinators.

The Overall Coordinators (for themselves and on behalf of the Underwriters) may, where considered appropriate, based on the level of interest expressed by prospective investors during the book-building process, and with the prior consent of our Company, reduce the number of Offer Shares and/or the Offer Price below that stated in this prospectus prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a situation, 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, post a notice on the website of the Stock Exchange (www.hkexnews.hk) and the website of our Company (https://www.kinwong.com/) (the contents of the website do not form a part of this prospectus). Our Company will also, as soon as practicable following the decision to make such change, issue a supplemental prospectus updating investors of the change in the number of Offer Shares being offered under the Global Offering and/or the Offer Price. The Global Offering must first be canceled and subsequently relaunched on FINI pursuant to the supplemental prospectus.

Before submitting applications for the Hong Kong Offer Shares, applicants should have regard to the possibility that any announcement of a reduction in the number of Offer Shares may not be made until the day which is the last day for lodging applications under the Hong Kong Public Offering. In the absence of any such notice so announced and any such supplemental prospectus or new prospectus so published, the number of Offer Shares will not be reduced.

CONDITIONS OF THE GLOBAL OFFERING

Acceptance of all applications for the Offer Shares will be conditional on, *inter alia*:

- the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Global Offering as mentioned in this prospectus on the Main Board of the Stock Exchange and such listing and permission not subsequently having been revoked prior to the commencement of dealings in the Shares on the Stock Exchange;
- the Offer Price having been agreed between the Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company;
- the execution and delivery of the International Underwriting Agreement on or around the Price Determination Date;
- our Company having submitted to HKSCC all requisite documents to enable the Offer Shares to be admitted to trade on the Stock Exchange; and
- the obligations of the Underwriters under the respective Underwriting Agreements becoming and remaining unconditional (unless and to the extent such conditions are validly waived on or before such dates and times) 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 by 12:00 noon on Friday, September 25, 2026 between us and the Overall Coordinators (for themselves and on behalf of the Underwriters), the Global Offering will not proceed and will lapse.

If the above conditions are not fulfilled or waived prior to the times and dates specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. We will cause a notice of the lapse of the Hong Kong Public Offering to be published by us on the websites of our Company at **https://www.kinwong.com/**, and the Stock Exchange at **www.hkexnews.hk**, respectively on the next day following such lapse. In such event, all application monies will be returned, without interest, on the terms set out in the section headed "How to Apply for Hong Kong Offer Shares" in this prospectus. In the meantime, the application monies will be held in separate bank account(s) with our Company's receiving banker(s) or other bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) (as amended).

The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon, amongst other things, the other becoming unconditional and not having been terminated in accordance with its terms.

H Share certificates for the Offer Shares are expected to be issued on Monday, September 28, 2026 but will only become valid evidence of title at 8:00 a.m. on the date of commencement of the dealings in our H Shares, which is expected to be on Tuesday, September 29, 2026, provided that (i) the Global Offering has become unconditional in all respects at or before that time and (ii) neither of the Underwriting Agreements has been terminated in accordance with its terms. Investors who trade H Shares prior to the receipt of H Share certificates or prior to the H Share certificates bearing valid evidence of title do so entirely at their own risk.

DEALING ARRANGEMENTS

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Tuesday, September 29, 2026, it is expected that dealings in the H Shares on the Stock Exchange will commence on Tuesday, September 29, 2026. The H Shares will be traded in board lots of 100 each and the stock code will be 3228.

IMPORTANT NOTICE TO INVESTORS OF HONG KONG OFFER SHARE

FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering and below are the procedures for application. We will not provide any printed copies of this prospectus for use by the public.

This prospectus is available at the website of the Stock Exchange at **www.hkexnews.hk** ***under the "HKEXnews > New Listings > New Listing Information" section, and our website at*** **https://www.kinwong.com/*****.***

The contents of this prospectus are identical to the prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

A. APPLICATION FOR HONG KONG OFFER SHARES

1. Who Can Apply

You can apply for Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are 18 years of age or older;
- are outside the United States; and
- have a Hong Kong address (*for the* ***HK eIPO White Form*** *service only*).

Unless permitted by the Listing Rules and the Guide for New Listing Applicants issued by the Stock Exchange, or any relevant waivers that have been granted by the Stock Exchange, you cannot apply for any Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are an existing Shareholder or close associates; or
- are a Director or any of his/her close associates.

2. Application Channels

The Hong Kong Public Offering period will begin at 9:00 a.m. on Monday, September 21, 2026 and end at 12:00 noon on Thursday, September 24, 2026 (Hong Kong time).

To apply for Hong Kong Offer Shares, you may use one of the following application channels:

Application Channel	Platform	Target Investors	Application Time
HK eIPO White Form service	**www.hkeipo.hk**	Applicant who would like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in your own name.	From 9:00 a.m. on Monday, September 21, 2026 to 11:30 a.m. on Thursday, September 24, 2026, Hong Kong time. The latest time for completing full payment of application monies will be 12:00 noon on Thursday, September 24, 2026, Hong Kong time.

Application Channel	Platform	Target Investors	Application Time
HKSCC EIPO channel .	Your **broker** or **custodian** who is a HKSCC Participant will submit **electronic application instructions** on your behalf through HKSCC's FINI system in accordance with your instruction.	Applicant 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 of the application period to apply for Hong Kong Offer Shares.

For those applying through the **HK eIPO White Form** service, once you complete payment in respect of any application instructions given by you or for your benefit through the **HK eIPO White Form** service to make an application for Hong Kong Offer Shares, an actual application shall be deemed to have been made. If you are a person for whose benefit the **electronic application instructions** are given, you shall be deemed to have declared that only one set of **electronic application instructions** has been given for your benefit. If you are an agent for another person, you shall be deemed to have declared that you have only given one set of **electronic application instructions** for the benefit of the person for whom you are an agent and that you are duly authorized to give those instructions as an agent.

For the avoidance of doubt, giving an application instruction under the **HK eIPO White Form** service more than once and obtaining different 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 the Hong Kong Offer Shares on your behalf through the **HKSCC EIPO** channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to apply for Hong Kong Offer Shares on your behalf and to do on your behalf all the things stated in this prospectus and any supplement to it.

For those applying through **HKSCC EIPO** channel, an actual application will be deemed to have been made for any application instructions given by you or for your benefit to HKSCC (in which case an application will be made by HKSCC Nominees on your behalf) provided such application instruction has not been withdrawn or otherwise invalidated before the closing time of the Hong Kong Public Offering.

HKSCC Nominees will only be acting as a nominee for you and neither HKSCC nor HKSCC Nominees shall be liable to you or any other person in respect of any actions taken by HKSCC or HKSCC Nominees on your behalf to apply for Hong Kong Offer Shares or for any breach of the terms and conditions of this prospectus.

3. Information Required to Apply

You must provide the following information with your application:

For Individual or Joint Applicants

- Full name(s)[2] as shown on your identity document
- Identity document's issuing country or jurisdiction
- Identity document type, with order of priority:
  i. HKID card; or
  ii. National identification document; or
  iii. Passport; and
- Identity document number

For Corporate Applicants

- Full name(s)[2] as shown on your identity document
- Identity document's issuing country or jurisdiction
- Identity document type, with order of priority:
  i. LEI registration document; or
  ii. Certificate of incorporation; or
  iii. Business registration certificate; or
  iv. Other equivalent document; and
- Identity document number

Notes:

1. If you are applying through the **HK eIPO White Form** service, you are required to provide a valid e-mail address, a contact telephone number and a Hong Kong address. You are also required to declare that the identity information provided by you follows the requirements as described in Note 2 below. In particular, where you cannot provide a HKID number, you must confirm that you do not hold a HKID card. The number of joint applicants may not exceed four. If you are a firm, the applicant must be in the individual members' names.

2. The applicant's full name as shown on their identity document must be used and the surname, given name, middle and other names (if any) must be input in the same order as shown on the identity document. If an applicant's identity document contains both an English and Chinese name, both English and Chinese names must be used. Otherwise, either English or Chinese names will be accepted. The order of priority of the applicant's identity document type must be strictly followed and where an individual applicant has a valid HKID card (including both Hong Kong Residents and Hong Kong Permanent Residents), the HKID number must be used when making an application to subscribe for 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. Such is subject to change, if the Company's Articles of Association and applicable company law prescribe for a lower cap.

5. If you are applying as a nominee, you must provide: (i) the full name (as shown on the identity document), the identity document's issuing country or jurisdiction, the identity document type; and (ii), the identity document number, for each of the beneficial owners or, in the case(s) of joint beneficial owners, for each joint beneficial owner. If you do not include this information, the application will be treated as being made for your benefit.

6. If you are applying as an unlisted company and (i) the principal business of that company is dealing in securities; and (ii) you exercise statutory control over that company, then the application will be treated as being for your benefit and you should provide the required information in your application as stated above.

   "Unlisted company" means a company with no equity securities listed on the Stock Exchange or any other stock exchange.

   "Statutory control" means you:

   - control the composition of the board of directors of the company;
   - control more than half of the voting power of the company; or
   - hold more than half of the issued share capital of the company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

For those applying through **HKSCC EIPO** channel, and making an application under a power of attorney, we and the Overall Coordinators, as our agent, have discretion to consider whether to accept it on any conditions we think fit, including evidence of the attorney's authority.

Failing to provide any required information may result in your application being rejected.

4. Permitted Number of Hong Kong Offer Shares for Application

Board lot size . . . . : 100 Offer 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$69.88 per Offer Share.

If you are applying through the **HKSCC EIPO** channel, your broker or custodian may require you to pre-fund your application, in such amount as determined by the broker or custodian, based on the applicable laws and regulations in Hong Kong. You are responsible for complying with any such pre-funding requirement imposed by your broker or custodian with respect to the Hong Kong Offer Shares you applied for.

By instructing your **broker** or **custodian** to apply for the Hong Kong Offer Shares on your behalf through the **HKSCC EIPO** channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to arrange payment of the final Offer Price, brokerage, SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy by debiting the relevant nominee bank account at the Designated Bank for your **broker** or **custodian**.

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

No. of Hong Kong Offer Shares applied for	Maximum Amount payable(2) on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable(2) on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable(2) on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable(2) on application/ successful allotment
	HK$		*HK$*		*HK$*		*HK$*
100	7,058.47	2,500	176,461.85	30,000	2,117,542.19	600,000	42,350,843.88
200	14,116.95	3,000	211,754.21	40,000	2,823,389.59	700,000	49,409,317.85
300	21,175.42	3,500	247,046.59	50,000	3,529,236.99	800,000	56,467,791.85
400	28,233.89	4,000	282,338.96	60,000	4,235,084.39	900,000	63,526,265.82
500	35,292.36	4,500	317,631.33	70,000	4,940,931.79	1,000,000	70,584,739.80
600	42,350.84	5,000	352,923.69	80,000	5,646,779.19	2,000,000	141,169,479.60
700	49,409.31	6,000	423,508.44	90,000	6,352,626.58	3,647,200(1)	257,436,663.00
800	56,467.79	7,000	494,093.18	100,000	7,058,473.98		
900	63,526.26	8,000	564,677.92	200,000	14,116,947.95		
1,000	70,584.74	9,000	635,262.65	300,000	21,175,421.95		
1,500	105,877.11	10,000	705,847.40	400,000	28,233,895.92		
2,000	141,169.48	20,000	1,411,694.80	500,000	35,292,369.90		

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

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

5. Multiple Applications Prohibited

You or your joint applicant(s) shall not make more than one application for your own benefit, except where you are a nominee and provide the information of the underlying investor in your application as required under the paragraph headed "— A. Application for Hong Kong Offer Shares — 3. Information Required to Apply" in this section. If you are suspected of submitting or cause to submit more than one application, all of your applications will be rejected.

Multiple applications made either through (i) the **HK eIPO White Form** service, (ii) **HKSCC EIPO** channel, or (iii) both channels concurrently are prohibited and will be rejected. If you have made an application through the **HK eIPO White Form** service or **HKSCC EIPO** channel, you or the person(s) for whose benefit you have made the application shall not apply further for any Offer Shares in the Global Offering.

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 **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 authorise us and/or the Overall Coordinators, as our agents, to execute any documents for you and to do on your behalf all things necessary to register any Hong Kong Offer Shares allocated to you in your name or in the name of HKSCC Nominees as required by the Articles of Association, and (if you are applying through the **HKSCC EIPO** channel) to deposit the allotted Hong Kong Offer Shares directly into CCASS for the credit of your designated HKSCC Participant's stock account on your behalf;

(ii) **confirm** that you have read and understand the terms and conditions and application procedures set out in this prospectus and the designated website of the **HK eIPO White Form** service (or as the case may be, the agreement you entered into with your **broker** or **custodian**), and agree to be bound by them;

(iii) (if you are applying through the **HKSCC EIPO** channel) **agree** to the arrangements, undertakings and warranties under the participant agreement between your **broker** or **custodian** and HKSCC and observe the General Rules of HKSCC and the HKSCC Operational Procedures for giving application instructions to apply for Hong Kong Offer Shares;

(iv) **confirm** that you are aware of the restrictions on offers and sales of shares set out in this prospectus and they do not apply to you, or the person(s) for whose benefit you have made the application;

(v) **confirm** that you have read this prospectus and any supplement to it and have relied only on the information and representations contained therein in making your application (or as the case may be, causing your application to be made) and will not rely on any other information or representations;

(vi) **agree** that the Company, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Market Intermediaries, any of their or the Company's respective directors, officers, employees, partners, agents, advisors and any other parties involved in the Global Offering (the "**Relevant Persons**"), the H Share Registrar and HKSCC will not be liable for any information and representations not in this prospectus and any supplement to it;

(vii) **agree** to disclose the details of your application and your personal data and any other personal data which may be required about you and the person(s) for whose benefit you have made the application to us, the Relevant Persons, the H Share Registrar, HKSCC, HKSCC Nominees, the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, for the purposes under the paragraph headed "— G. Personal Data — 3. Purposes and 4. Transfer of personal data" in this section;

(viii) **agree** (without prejudice to any other rights which you may have once your application (or as the case may be, HKSCC Nominees' application) has been accepted) that you will not rescind it because of an innocent misrepresentation;

(ix) **agree** that subject to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any application made by you or HKSCC Nominees on your behalf cannot be revoked once it is accepted, which will be evidenced by the notification of the result of the ballot by the H Share Registrar by way of publication of the results at the time and in the manner as specified in the paragraph headed "— B. Publication of Results" in this section;

(x) **confirm** that you are aware of the situations specified in the paragraph headed "— C. Circumstances In Which You Will Not Be Allocated Hong Kong Offer Shares" in this section;

(xi) **agree** that your application or HKSCC Nominees' application, any acceptance of it and the resulting contract will be governed by and construed in accordance with the laws of Hong Kong;

(xii) **agree** to comply with the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Articles of Association and laws of any place outside Hong Kong that apply to your application and that neither we nor the Relevant Persons will breach any law inside and/or outside Hong Kong as a result of the acceptance of your offer to purchase, or any action arising from your rights and obligations under the terms and conditions contained in this prospectus;

(xiii) **confirm** that (a) your application or HKSCC Nominees' application on your behalf is not financed directly or indirectly by the Company, any of the directors, chief executives, substantial Shareholder(s) or existing shareholder(s) of the Company or any of its subsidiaries or any of their respective close associates; and (b) you are not accustomed or will not be accustomed to taking instructions from the Company, any of the directors, chief executives, substantial shareholder(s) or existing shareholder(s) of the Company or any of its subsidiaries or any of their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in your name or otherwise held by you;

(xiv) **warrant** that the information you have provided is true and accurate;

(xv) **confirm** that you understand that we and the Overall Coordinators will rely on your declarations and representations in deciding whether or not to allocate any Hong Kong Offer Shares to you and that you may be prosecuted for making a false declaration;

(xvi) **agree** to accept Hong Kong Offer Shares applied for or any lesser number allocated to you under the application;

(xvii) **declare** and **represent** that this is the only application made and the only application intended by you to be made to benefit you or the person for whose benefit you are applying;

(xviii) (if the application is made for your own benefit) **warrant** that no other application has been or will be made for your benefit by giving **electronic application instructions** to HKSCC directly or indirectly or through the application channel of the **HK eIPO White Form** service or by any one as your agent or by any other person; and

(xix) (if you are making the application as an agent for the benefit of another person) warrant that (1) no other application has been or will be made by you as agent for or for the benefit of that person or by that person or by any other person as agent for that person by giving **electronic application instructions** to HKSCC or to the **HK eIPO White Form** Service Provider and (2) you have due authority to give **electronic application instructions** on behalf of that other person as its agent.

B. PUBLICATION OF RESULTS

Results of Allocation

You can check whether you are successfully allocated any Hong Kong Offer Shares through:

Platform		Date/Time
Applying through the **HK eIPO White Form** service or **HKSCC EIPO** channel:		
Website	From the "Allotment Results" page at **www.hkeipo.hk/IPOResult** (or **www.tricor.com.hk/ipo/result**) with a "search by ID" function. 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**	24 hours, from 11:00 p.m. on Monday, September 28, 2026 to 12:00 midnight on Sunday, October 4, 2026 (Hong Kong time)
	The Stock Exchange's website at **www.hkexnews.hk** and our website at **https://www.kinwong.com/** which will provide links to the above mentioned websites of the H Share Registrar.	No later than 11:00 p.m. on Monday, September 28, 2026 (Hong Kong time)
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 Tuesday, September 29, 2026 to Monday, October 5, 2026 on a Business Day (Hong Kong time)

For those applying through **HKSCC EIPO** channel, you may also check with your **broker** or **custodian** from 6:00 p.m. on Friday, September 25, 2026 (Hong Kong time).

HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Friday, September 25, 2026 (Hong Kong time) on a 24-hour basis and should report any discrepancies on allotments to HKSCC as soon as practicable.

Allocation Announcement

We expect to announce the results of the final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocations of Hong Kong Offer Shares on the Stock Exchange's website at **www.hkexnews.hk** and our website at **https://www.kinwong.com/** by no later than 11:00 p.m. on Monday, September 28, 2026 (Hong Kong time).

C. CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOCATED HONG KONG OFFER SHARES

You should note the following situations in which Hong Kong Offer Shares will not be allocated to you or the person(s) for whose benefit you are applying for:

1. If your application is revoked:

Your application or the application made by HKSCC Nominees on your behalf may be revoked pursuant to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

2. If we or our agents exercise our discretion to reject your application:

We, the Overall Coordinators, the H Share Registrar and their respective agents and nominees have full discretion to reject or accept any application, or to accept only part of any application, without giving any reasons.

3. If the allocation of Hong Kong Offer Shares is void:

The allocation of Hong Kong Offer Shares will be void if the Stock Exchange does not grant permission to list the Shares either:

- within three weeks from the closing date of the application lists; or
- within a longer period of up to six weeks if the Stock Exchange notifies us of that longer period within three weeks of the closing date of the application lists.

4. If:

- you make multiple applications or suspected multiple applications. You may refer to the paragraph headed "— A. Application for Hong Kong Offer Shares — 5. Multiple Applications Prohibited" in this section on what constitutes multiple applications;
- your **application instruction** is incomplete;
- your payment (or confirmation of funds, as the case may be) is not made correctly;
- the Underwriting Agreements do not become unconditional or are terminated;
- we or the Overall Coordinators believe that by accepting your application, it or we would violate applicable securities or other laws, rules or regulations.

5. If there is money settlement failure for allotted Shares:

Based on the arrangements between HKSCC Participants and HKSCC, HKSCC Participants will be required to hold sufficient application funds on deposit with their Designated Bank before balloting. After balloting of Hong Kong Offer Shares, the receiving bank will collect the portion of these funds required to settle each HKSCC Participant's actual Hong Kong Offer Share allotment from their Designated Bank.

There is a risk of money settlement failure. In the extreme event of money settlement failure by a HKSCC Participant (or its Designated Bank), who is acting on your behalf in settling payment for your allotted shares, HKSCC will contact the defaulting HKSCC Participant and its Designated Bank to determine the cause of failure and request such defaulting HKSCC Participant to rectify or procure to rectify the failure.

However, if it is determined that such settlement obligation cannot be met, the affected Hong Kong Offer Shares will be reallocated to the International 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. DESPATCH/COLLECTION OF H SHARE CERTIFICATES AND REFUND OF APPLICATION MONIES

You will receive one H Share certificate for all Hong Kong Offer Shares allotted to you under the Hong Kong Public Offering (except pursuant to applications made through the **HKSCC EIPO** channel where the H Share certificates will be deposited into CCASS as described below).

No temporary document of title will be issued in respect of the H Shares. No receipt will be issued for sums paid on application.

H Share certificates will only become valid evidence of title at 8:00 a.m. on Tuesday, September 29, 2026 (Hong Kong time), provided that the Global Offering has become unconditional and the right of termination described in the section headed "Underwriting" has not been exercised. Investors who trade H Shares prior to the receipt of H Share certificates or the H Share certificates becoming valid do so entirely at their own risk.

The right is reserved to retain any H Share certificate(s) and (if applicable) any surplus application monies pending clearance of application monies.

The following sets out the relevant procedures and time:

	HK eIPO White Form service	**HKSCC EIPO channel**
Despatch/collection of H Share certificate[1]		
For application of 1,000,000 or more Hong Kong Offer Shares	Collection in person from the H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. Time: from 9:00 a.m. to 1:00 p.m. on Tuesday, September 29, 2026 (Hong Kong time). If you are an individual, you must not authorise any other person to collect for you. If you are a corporate applicant, your authorised representative must bear a letter of authorization from your corporation stamped with your corporation's chop. Both individuals and authorised 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.	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. No action by you is required.
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 on Monday, September 28, 2026 at your own risk.	

	HK eIPO White Form service	HKSCC EIPO channel
Refund mechanism for surplus application monies paid by you		
Date	Tuesday, September 29, 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 cheque(s) will be despatched to the address as specified in your application instructions by ordinary post at your own risk.	

1. Except in the event of any Severe Weather Signals (defined below) in force in Hong Kong in the morning on Monday, September 28, 2026 rendering it impossible for the relevant H Share certificates to be dispatched to HKSCC in a timely manner, the Company shall procure the H Share Registrar to arrange for delivery of the supporting documents and H Share certificates in accordance with the contingency arrangements as agreed between them. You may see "— E. Severe Weather Arrangements" in this section.

E. SEVERE WEATHER ARRANGEMENTS

The Opening and Closing of the Application Lists

The application lists will not open or close on Thursday, September 24, 2026 if, there is/are:

- a tropical cyclone warning signal number 8 or above;
- a "black" rainstorm warning; and/or
- Extreme Conditions,

(collectively, "**Severe Weather Signals**"),

in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Thursday, September 24, 2026.

Instead they will open between 11:45 a.m. and 12:00 noon and/or close at 12:00 noon on the next Business Day which does not have **Severe** Weather Signals in force at any time between 9:00 a.m. and 12:00 noon.

Prospective investors should be aware that a postponement of the opening/closing of the application lists may result in a delay in the listing date. Should there be any changes to the dates mentioned in the section headed "Expected Timetable" in this prospectus, an announcement will be made and published on the Stock Exchange's website at **www.hkexnews.hk** and our website at **https://www.kinwong.com/** of the revised timetable.

If a **Severe** Weather Signal is hoisted on Monday, September 28, 2026, the H Share Registrar will make appropriate arrangements for the delivery of the H Share certificates to the CCASS Depository's service counter so that they would be available for trading on Tuesday, September 29, 2026.

If a **Severe** Weather Signal is hoisted on Monday, September 28, 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 cancelled (e.g. in the afternoon of Monday, September 28, 2026 or on Tuesday, September 29, 2026).

If a **Severe** Weather Signal is hoisted on Tuesday, September 29, 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 cancelled (e.g. in the afternoon of Tuesday, September 29, 2026 or on Wednesday, September 30, 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 SHARES INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the H Shares on the Stock Exchange and we comply with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the H Shares or any other date HKSCC chooses. Settlement of transactions between Exchange Participants is required to take place in CCASS on the second settlement day after any trading day.

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

All necessary arrangements have been made enabling the Shares to be admitted into CCASS.

You should seek the advice of your broker or other professional advisor for details of the settlement arrangement as such arrangements may affect your rights and interests.

G. PERSONAL DATA

The following Personal Information Collection Statement applies to any personal data collected and held by the Company, the 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. This personal data may include client identifier(s) and your identification information. By giving application instructions to HKSCC, you acknowledge that you have read, understood and agree to all of the terms of the Personal Information Collection Statement below.

1. Personal Information Collection Statement

This Personal Information Collection Statement informs the applicant for, and holder of, Hong Kong Offer Shares, of the policies and practices of the Company and the H Share Registrar in relation to personal data and the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

2. Reasons for the collection of your personal data

It is necessary for applicants and registered holders of Hong Kong Offer Shares to ensure that personal data supplied to the Company or its agents and the H Share Registrar is accurate and up-to-date when applying for Hong Kong Offer Shares or transferring Hong Kong Offer Shares into or out of their names or in procuring the services of the H Share Registrar.

Failure to supply the requested data or supplying inaccurate data may result in your application for Hong Kong Offer Shares being rejected, or in the delay or the inability of the Company or the H Share Registrar to effect transfers or otherwise render their services. It may also prevent or delay registration or transfers of Hong Kong Offer Shares which you have successfully applied for and/or the despatch of H Share certificate(s) to which you are entitled.

It is important that applicants for and holders of Hong Kong Offer Shares inform the Company and the H Share Registrar immediately of any inaccuracies in the personal data supplied.

3. Purposes

Your personal data may be used, held, processed, and/or stored (by whatever means) for the following purposes:

- processing your application and refund cheque and **HK eIPO White Form** e-Auto Refund payment instruction(s), where applicable, verification of compliance with the terms and application procedures set out in this prospectus and announcing results of allocation of Hong Kong Offer Shares;
- compliance with applicable laws and regulations in Hong Kong and elsewhere;
- registering new issues or transfers into or out of the names of the holders of the Shares including, where applicable, HKSCC Nominees;
- maintaining or updating the register of members of the Company;
- verifying identities of applicants for and holders of the Shares and identifying any duplicate applications for the Shares;
- facilitating Hong Kong Offer Shares balloting;
- establishing benefit entitlements of holders of the Shares, such as dividends, rights issues, bonus issues, etc.;
- distributing communications from the Company and its subsidiaries;
- compiling statistical information and profiles of the holder of the Shares;
- disclosing relevant information to facilitate claims on entitlements; and
- any other incidental or associated purposes relating to the above and/or to enable the Company and the H Share Registrar to discharge their obligations to applicants and holders of the Shares and/or regulators and/or any other purposes to which applicants and holders of the Shares may from time to time agree.

4. Transfer of personal data

Personal data held by the Company and the H Share Registrar relating to the applicants for and holders of Hong Kong Offer Shares will be kept confidential but the Company and the H Share Registrar may, to the extent necessary for achieving any of the above purposes, disclose, obtain or transfer (whether within or outside Hong Kong) the personal data to, from or with any of the following:

- the Company's appointed agents such as financial 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, telecommunication, computer, payment or other services to the Company or the H Share Registrar in connection with their respective business operation;
- the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, including for the purpose of the Stock Exchange's administration of the Listing Rules and the SFC's performance of its statutory functions; and
- any persons or institutions with which the holders of Hong Kong Offer Shares have or propose to have dealings, such as their bankers, solicitors, accountants or brokers, etc..

5. Retention of personal data

The Company and the H Share Registrar will keep the personal data of the applicants and holders of Hong Kong Offer Shares for as long as necessary to fulfill the purposes for which the personal data were collected. Personal data which is no longer required will be destroyed or dealt with in accordance with the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

6. Access to and correction of personal data

Applicants for and holders of Hong Kong Offer Shares have the right to ascertain whether the Company or the H Share Registrar hold their personal data, to obtain a copy of that data, and to correct any data that is inaccurate. The Company and the H Share Registrar have the right to charge a reasonable fee for the processing of such requests. All requests for access to data or correction of data should be addressed to the Company and the H Share Registrar, at their registered address disclosed in the section headed "Corporate Information" in this prospectus or as notified from time to time, for the attention of the company secretary, or the H Share Registrar for the attention of the privacy compliance officer.

The following is the text of a report, prepared for the purpose of incorporation in this prospectus, received from the Company's reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong.

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ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF SHENZHEN KINWONG ELECTRONIC CO., LTD., CITIC SECURITIES (HONG KONG) LIMITED, MERRILL LYNCH (ASIA PACIFIC) LIMITED AND GUOLIAN SECURITIES INTERNATIONAL CAPITAL MARKET CO., LIMITED

Introduction

We report on the historical financial information of Shenzhen Kinwong Electronic Co., Ltd. (the "Company") and its subsidiaries (together, the "Group") set out on pages I-3 to I-80, 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 2023, 2024 and 2025 and the four months ended 30 April 2026 (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 2023, 2024 and 2025 and 30 April 2026, and material accounting policy information and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages I-3 to I-80 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated 21 September 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* as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information, in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the financial position of the Group and the Company as at 31 December 2023, 2024 and 2025 and 30 April 2026 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 four months ended 30 April 2025 and other explanatory information (the "Interim Comparative Financial Information"). The directors of the Company are responsible for the preparation 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* as 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-3 have been made.

Dividend

We refer to note 11 to the Historical Financial Information which contains information about dividends paid by the Company in respect of the Relevant Periods.

Certified Public Accountants
Hong Kong
21 September 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 as 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 31 December			Four months ended 30 April	
		2023	2024	2025	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
REVENUE	5	10,757,302	12,659,373	15,308,052	4,533,613	5,341,392
Cost of sales		(8,264,978)	(9,781,688)	(12,003,163)	(3,596,235)	(4,340,192)
Gross profit		2,492,324	2,877,685	3,304,889	937,378	1,001,200
Other income and gains	5	202,128	317,888	343,749	173,089	111,739
Selling and marketing expenses		(192,124)	(245,642)	(288,164)	(85,697)	(84,936)
Administrative expenses		(563,044)	(630,669)	(715,267)	(218,191)	(259,508)
Research and development costs		(600,696)	(757,587)	(929,932)	(272,312)	(280,739)
Other expense		(135,833)	(109,138)	(153,336)	(20,073)	(111,517)
Finance costs	7	(147,086)	(114,084)	(77,507)	(26,535)	(32,083)
Share of losses of an associate		(8,139)	(18,014)	(20,049)	(6,099)	(6,260)
PROFIT BEFORE TAX	6	1,047,530	1,320,439	1,464,383	481,560	337,896
Income tax expense	10	(136,501)	(160,231)	(220,365)	(57,275)	(20,977)
PROFIT FOR THE YEAR/PERIOD		911,029	1,160,208	1,244,018	424,285	316,919
OTHER COMPREHENSIVE INCOME						
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:						
Exchange differences:						
Exchange differences on translation of foreign operations		–	1,895	7,420	1,867	(30,969)
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods		–	1,895	7,420	1,867	(30,969)
OTHER COMPREHENSIVE INCOME FOR THE YEAR/PERIOD, NET OF TAX		–	1,895	7,420	1,867	(30,969)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR/PERIOD		911,029	1,162,103	1,251,438	426,152	285,950
Profit attributable to:						
Shareholders of the Company		936,252	1,169,026	1,230,970	419,907	304,671
Non-controlling interests		(25,223)	(8,818)	13,048	4,378	12,248
		911,029	1,160,208	1,244,018	424,285	316,919
Total comprehensive income attributable to:						
Shareholders of the Company		936,252	1,170,921	1,238,390	421,774	273,702
Non-controlling interests		(25,223)	(8,818)	13,048	4,378	12,248
		911,029	1,162,103	1,251,438	426,152	285,950
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY SHAREHOLDERS OF THE COMPANY						
Basic (RMB per share)	12	1.11	1.34	1.30	0.45	0.31
Diluted (RMB per share)	12	1.11	1.34	1.28	0.44	0.31

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		As at 31 December			As at 30 April
	Notes	**2023**	**2024**	**2025**	**2026**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS					
Property, plant and equipment	*13*	7,566,936	8,405,797	10,632,094	11,521,252
Right-of-use assets	*14*	272,091	258,994	265,312	278,290
Intangible assets	*15*	26,514	24,786	19,544	21,738
Investment in an associate	*16*	86,861	100,416	80,367	74,107
Equity investments designated at fair value through other comprehensive income		6,000	6,000	–	–
Financial assets at fair value through profit or loss	*22*	7,000	37,000	40,000	40,000
Deferred tax assets	*18*	224,341	283,273	243,298	239,922
Prepayments, deposits and other receivables	*21*	314,187	675,047	881,072	1,354,055
Total non-current assets		8,503,930	9,791,313	12,161,687	13,529,364
CURRENT ASSETS					
Inventories	*19*	1,364,010	1,742,447	2,515,615	3,216,566
Trade and bills receivables	*20*	3,899,458	4,351,823	4,869,754	4,679,633
Prepayments, deposits and other receivables	*21*	89,109	182,092	322,071	449,438
Financial assets at fair value through profit or loss	*22*	250,000	312,000	182,180	82,624
Debt investments at fair value through other comprehensive income	*23*	836,418	680,431	982,266	978,713
Pledged and restricted deposits	*24*	319,409	345,239	527,137	626,529
Time deposits with original maturity of over three months	*24*	–	–	225,000	–
Cash and cash equivalents	*24*	1,968,398	1,838,432	1,941,199	2,910,922
Total current assets		8,726,802	9,452,464	11,565,222	12,944,425
CURRENT LIABILITIES					
Accounts and bills payables	*25*	3,886,070	4,852,862	6,721,591	6,971,097
Financial liabilities at fair value through profit or loss	*27*	838	–	–	–
Contract liabilities	*28*	7,997	5,795	11,970	30,408
Other payables and accruals	*26*	518,700	661,045	659,527	1,077,724
Convertible bonds	*31*	11,974	4,283	–	–
Interest-bearing bank and other borrowings	*30*	319,706	373,271	592,018	675,009
Lease liabilities	*14*	18,214	11,020	16,747	12,417
Tax payable		68,579	55,949	53,243	19,124
Total current liabilities		4,832,078	5,964,225	8,055,096	8,785,779
NET CURRENT ASSETS		3,894,724	3,488,239	3,510,126	4,158,646
TOTAL ASSETS LESS CURRENT LIABILITIES		12,398,654	13,279,552	15,671,813	17,688,010

	Notes	As at 31 December			As at 30 April
		2023	2024	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
NON-CURRENT LIABILITIES					
Convertible bonds	*31*	2,640,361	1,027,889	–	–
Interest-bearing bank and other borrowings	*30*	416,917	284,063	1,863,943	4,123,836
Lease liabilities	*14*	8,323	3,566	11,912	13,350
Deferred income	*29*	228,457	325,539	403,448	400,801
Deferred tax liabilities	*18*	134,376	140,789	122,718	72,478
Total non-current liabilities		3,428,434	1,781,846	2,402,021	4,610,465
Net assets		8,970,220	11,497,706	13,269,792	13,077,545
EQUITY					
Equity attributable to shareholders of the Company					
Share capital	*32*	841,874	932,532	984,812	984,857
Treasury shares	*32*	–	(112,037)	(85,089)	(85,089)
Equity component of convertible bonds		488,025	177,667	–	–
Reserves	*34*	7,447,470	10,315,511	12,172,988	11,968,448
		8,777,369	11,313,673	13,072,711	12,868,216
Non-controlling interests		192,851	184,033	197,081	209,329
Total equity		8,970,220	11,497,706	13,269,792	13,077,545

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2023

	Attributable to shareholders of the Company										
	Share capital	Treasury shares	Equity component of convertible bonds	Capital reserve*	Share-based payment reserve*	Special reserve-safety fund*	Statutory surplus reserve*	Retained profits*	Total	Non-controlling interests	Total equity
	RMB'000 *(Note 32)*	*RMB'000* *(Note 32)*	*RMB'000*	*RMB'000* *(Note 34)*	*RMB'000* *(Note 33)*	*RMB'000* *(Note 34)*	*RMB'000* *(Note 34)*	*RMB'000* *(Note 34)*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023	847,250	(81,635)	310,298	1,802,516	29,381	–	283,207	4,881,360	8,072,377	218,074	8,290,451
Profit and total comprehensive income for the year	–	–	–	–	–	–	–	936,252	936,252	(25,223)	911,029
Dividend declared	–	2,689	–	–	–	–	–	(423,625)	(420,936)	–	(420,936)
Conversion of convertible bonds	2	–	(7)	50	–	–	–	–	45	–	45
Issue of convertible bonds	–	–	177,734	–	–	–	–	–	177,734	–	177,734
Deregistration of forfeited restricted shares	(5,378)	78,946	–	(73,568)	–	–	–	–	–	–	–
Share-based payments	–	–	–	–	11,897	–	–	–	11,897	–	11,897
Transferred from retained profits	–	–	–	–	–	–	36,079	(36,079)	–	–	–
Safety fund provided	–	–	–	–	–	4,873	–	–	4,873	–	4,873
Safety fund used	–	–	–	–	–	(4,873)	–	–	(4,873)	–	(4,873)
At 31 December 2023	841,874	–	488,025	1,728,998	41,278	–	319,286	5,357,908	8,777,369	192,851	8,970,220

Year ended 31 December 2024

	Attributable to shareholders of the Company											
	Share capital	Treasury shares	Equity component of convertible bonds	Capital reserve*	Share-based payment reserve*	Exchange fluctuation reserve*	Special reserve-safety fund*	Statutory surplus reserve*	Retained profits*	Total	Non-controlling interests	Total equity
	RMB'000 *(Note 32)*	*RMB'000* *(Note 32)*	*RMB'000*	*RMB'000* *(Note 34)*	*RMB'000* *(Note 33)*	*RMB'000* *(Note 34)*	*RMB'000* *(Note 34)*	*RMB'000* *(Note 34)*	*RMB'000* *(Note 34)*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2024	841,874	–	488,025	1,728,998	41,278	–	–	319,286	5,357,908	8,777,369	192,851	8,970,220
Profit for the year	–	–	–	–	–	–	–	–	1,169,026	1,169,026	(8,818)	1,160,208
Other comprehensive income for the year:												
Exchange differences on translation of foreign operations	–	–	–	–	–	1,895	–	–	–	1,895	–	1,895
Total comprehensive income for the year	–	–	–	–	–	1,895	–	–	1,169,026	1,170,921	(8,818)	1,162,103
Dividend declared	–	–	–	–	–	–	–	–	(420,937)	(420,937)	–	(420,937)
Conversion of convertible bonds	78,727	–	(310,358)	1,930,860	–	–	–	–	–	1,699,229	–	1,699,229
Issue of restricted shares	12,024	(112,906)	–	100,882	–	–	–	–	–	–	–	–
Deregistration of forfeited restricted shares	(93)	869	–	(776)	–	–	–	–	–	–	–	–
Share-based payments	–	–	–	–	87,091	–	–	–	–	87,091	–	87,091
Transferred from retained profits	–	–	–	–	–	–	–	64,251	(64,251)	–	–	–
Safety fund provided	–	–	–	–	–	–	4,923	–	–	4,923	–	4,923
Safety fund used	–	–	–	–	–	–	(4,923)	–	–	(4,923)	–	(4,923)
At 31 December 2024	932,532	(112,037)	177,667	3,759,964	128,369	1,895	–	383,537	6,041,746	11,313,673	184,033	11,497,706

Year ended 31 December 2025

	Attributable to shareholders of the Company											
	Share capital	Treasury shares	Equity component of convertible bonds	Capital reserve*	Share-based payment reserve*	Exchange fluctuation reserve*	Special reserve-safety fund*	Statutory surplus reserve*	Retained profits*	Total	Non-controlling interests	Total equity
	RMB'000 *(Note 32)*	*RMB'000* *(Note 32)*	*RMB'000*	*RMB'000* *(Note 34)*	*RMB'000* *(Note 33)*	*RMB'000* *(Note 34)*	*RMB'000* *(Note 34)*	*RMB'000* *(Note 34)*	*RMB'000* *(Note 34)*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2025	932,532	(112,037)	177,667	3,759,964	128,369	1,895	–	383,537	6,041,746	11,313,673	184,033	11,497,706
Profit for the year	–	–	–	–	–	–	–	–	1,230,970	1,230,970	13,048	1,244,018
Other comprehensive income for the year:												
Exchange differences on translation of foreign operations	–	–	–	–	–	7,420	–	–	–	7,420	–	7,420
Total comprehensive income for the year	–	–	–	–	–	7,420	–	–	1,230,970	1,238,390	13,048	1,251,438
Dividend declared	–	–	–	–	–	–	–	–	(747,383)	(747,383)	–	(747,383)
Conversion of convertible bonds	48,195	–	(177,667)	1,185,200	–	–	–	–	–	1,055,728	–	1,055,728
Issue of restricted shares	2,130	(19,999)	–	17,869	–	–	–	–	–	–	–	–
Deregistration of forfeited restricted shares	(457)	4,290	–	(3,833)	–	–	–	–	–	–	–	–
Issue of shares upon exercise of share options	2,412	–	–	57,801	(25,181)	–	–	–	–	35,032	–	35,032
Vesting of restricted share	–	42,657	–	73,321	(73,321)	–	–	–	–	42,657	–	42,657
Share-based payments	–	–	–	–	134,044	–	–	–	–	134,044	–	134,044
Transferred from retained profits	–	–	–	–	–	–	–	117,858	(117,858)	–	–	–
Disposal of equity investments at fair value through other comprehensive income	–	–	–	–	–	–	–	–	570	570	–	570
Safety fund provided	–	–	–	–	–	–	5,802	–	–	5,802	–	5,802
Safety fund used	–	–	–	–	–	–	(5,802)	–	–	(5,802)	–	(5,802)
At 31 December 2025	984,812	(85,089)	–	5,090,322	163,911	9,315	–	501,395	6,408,045	13,072,711	197,081	13,269,792

Four months ended 30 April 2025 (Unaudited)

	Attributable to shareholders of the Company											
	Share capital	Treasury shares	Equity component of convertible bonds	Capital reserve	Share-based payment reserve	Exchange fluctuation reserve	Special reserve – safety fund	Statutory surplus reserve	Retained profits	Total	Non-controlling interests	Total equity
	RMB'000 *(Note 32)*	*RMB'000* *(Note 32)*	*RMB'000*	*RMB'000* *(Note 34)*	*RMB'000* *(Note 33)*	*RMB'000* *(Note 34)*	*RMB'000* *(Note 34)*	*RMB'000* *(Note 34)*	*RMB'000* *(Note 34)*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2025	932,532	(112,037)	177,667	3,759,964	128,369	1,895	–	383,537	6,041,746	11,313,673	184,033	11,497,706
Profit for the period	–	–	–	–	–	–	–	–	419,907	419,907	4,378	424,285
Other comprehensive income for the period:												
Exchange differences on translation of foreign operations	–	–	–	–	–	1,867	–	–	–	1,867	–	1,867
Total comprehensive income for the period	–	–	–	–	–	1,867	–	–	419,907	421,774	4,378	426,152
Conversion of convertible bonds	403	–	(1,531)	10,076	–	–	–	–	–	8,948	–	8,948
Deregistration of forfeited restricted shares	(114)	1,072	–	(958)	–	–	–	–	–	–	–	–
Share-based payments	–	–	–	–	52,977	–	–	–	–	52,977	–	52,977
Transferred from retained profits	–	–	–	–	–	–	–	9,117	(9,117)	–	–	–
Safety fund provided	–	–	–	–	–	–	1,343	–	–	1,343	–	1,343
Safety fund used	–	–	–	–	–	–	(1,343)	–	–	(1,343)	–	(1,343)
At 30 April 2025	932,821	(110,965)	176,136	3,769,082	181,346	3,762	–	392,654	6,452,536	11,797,372	188,411	11,985,783

Four months ended 30 April 2026

	Attributable to shareholders of the Company										
	Share capital	Treasury shares	Capital reserve*	Share-based payment reserve*	Exchange fluctuation reserve*	Special reserve – safety fund*	Statutory surplus reserve*	Retained profits*	Total	Non-controlling interests	Total equity
	RMB'000 *(Note 32)*	*RMB'000* *(Note 32)*	*RMB'000* *(Note 34)*	*RMB'000* *(Note 33)*	*RMB'000* *(Note 34)*	*RMB'000* *(Note 34)*	*RMB'000* *(Note 34)*	*RMB'000* *(Note 34)*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2026	984,812	(85,089)	5,090,322	163,911	9,315	–	501,395	6,408,045	13,072,711	197,081	13,269,792
Profit for the period	–	–	–	–	–	–	–	304,671	304,671	12,248	316,919
Other comprehensive loss for the period:											
Exchange differences on translation of foreign operations	–	–	–	–	(30,969)	–	–	–	(30,969)	–	(30,969)
Total comprehensive (loss)/income for the period	–	–	–	–	(30,969)	–	–	304,671	273,702	12,248	285,950
Dividend declared	–	–	–	–	–	–	–	(541,625)	(541,625)	–	(541,625)
Issue of shares upon exercise of share options	45	–	1,436	(834)	–	–	–	–	647	–	647
Share-based payments	–	–	–	33,290	–	–	–	–	33,290	–	33,290
Deferred tax on share-based payments	–	–	–	29,491	–	–	–	–	29,491	–	29,491
Safety fund provided	–	–	–	–	–	1,979	–	–	1,979	–	1,979
Safety fund used	–	–	–	–	–	(1,979)	–	–	(1,979)	–	(1,979)
At 30 April 2026	984,857	(85,089)	5,091,758	225,858	(21,654)	–	501,395	6,171,091	12,868,216	209,329	13,077,545

* These reserve accounts comprise the consolidated reserves of RMB7,447,470,000, RMB10,315,511,000, RMB12,172,988,000 and RMB11,968,448,000 in the consolidated statements of financial position as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Notes	Year ended 31 December			Four months ended 30 April	
		2023	2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit before tax		1,047,530	1,320,439	1,464,383	481,560	337,896
Adjustments for:						
Finance costs	*7*	147,086	114,084	77,507	26,535	32,083
Interest income	*5*	(31,257)	(48,285)	(41,660)	(8,537)	(12,276)
Foreign exchange differences, net		(14,621)	(48,446)	5,393	(43,451)	25,472
Depreciation of items of property, plant and equipment	*13*	736,145	777,063	931,736	283,011	372,305
Amortisation of intangible assets	*15*	12,243	10,105	10,010	3,358	3,490
Depreciation of right-of-use assets	*14*	27,106	29,463	29,310	7,622	10,775
Losses on disposal of items of property, plant and equipment	*6*	3,201	8,811	11,048	1,216	1,911
Gains on disposal of land use rights		(238)	–	–	–	–
Losses on disposal of intangible assets	*6*	–	21	–	–	–
Fair value gains on financial assets at fair value through profit or loss		(9,482)	(6,339)	(153,811)	(59,206)	(80,085)
Fair value losses on derivative financial instruments at fair value through profit or loss	*6*	52,595	142	–	–	–
Impairment losses/(reversal of impairment) on financial assets	*6*	7,216	31,869	32,876	(4,096)	(8,497)
Impairment of property, plant and equipment	*6*	17,857	6,706	2,708	963	174
Write-down of inventories to net realisable value	*6*	48,249	57,260	65,683	21,460	37,834
Share of losses of an associate	*16*	8,139	18,014	20,049	6,099	6,260
Share-based payment expenses	*33*	11,897	87,091	134,044	52,977	33,290
		2,063,666	2,357,998	2,589,276	769,511	760,632
Increase in inventories		(36,757)	(435,697)	(838,851)	(271,521)	(738,785)
(Increase)/decrease in trade and bills receivables		(192,680)	(488,701)	(547,739)	127,525	189,831
Decrease/(increase) in prepayments, deposits and other receivables		5,011	(85,561)	(121,441)	1,093	(112,015)
(Increase)/decrease in debt investments at fair value through other comprehensive income		(127,845)	155,987	(301,835)	(469,712)	3,553
Increase in accounts and bills payables		418,787	792,732	1,278,498	596,652	397,105

	Notes	Year ended 31 December			Four months ended 30 April	
		2023	2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Increase/(decrease) in other payables and accruals		72,683	79,230	(53,966)	(62,806)	52,344
Increase/(decrease) in contract liabilities		5,509	(2,202)	6,175	6,146	18,438
Increase/(decrease) in deferred income		58,555	97,082	77,909	626	(2,647)
Cash generated from operations		2,266,929	2,470,868	2,088,026	697,514	568,456
Interest received		31,257	48,285	41,660	8,537	10,701
Income taxes paid		(182,695)	(229,524)	(198,461)	(102,175)	(85,768)
Net cash flows from operating activities		2,115,491	2,289,629	1,931,225	603,876	493,389
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds from disposal of items of property, plant and equipment		447	7,995	18,378	5,440	5,587
Purchase of items of property, plant and equipment		(1,427,883)	(1,830,997)	(2,762,785)	(731,408)	(2,071,706)
Purchase of intangible assets		(6,235)	(8,835)	(4,767)	(1,155)	(6,423)
Acquisition of land use rights		(28,416)	(6,705)	–	–	(18,808)
Proceeds from disposal of land use rights		3,421	–	–	–	–
Instalment payments of the acquisition payables		(47,500)	(47,500)	–	–	–
Purchase of shareholding in an associate		(95,000)	(31,569)	–	–	–
Proceeds from disposal of equity investments designated at fair value through other comprehensive income		–	–	6,600	–	–
Dividends received from listed investments		–	–	702	–	–
Purchases of financial assets at fair value through profit or loss		(3,840,000)	(3,492,000)	(742,700)	(567,000)	(4,421)
Maturity or disposal of financial assets at fair value through profit or loss		3,590,000	3,400,000	1,016,000	856,000	15,334
Investment income from financial assets at fair value through profit or loss		9,527	7,206	1,728	1,491	174,172
Investment losses from derivative financial instruments		(31,898)	(980)	–	–	–
Purchases of time deposits with original maturity of over three months		–	–	(625,000)	(400,000)	–
Proceeds from maturity of time deposits with original maturity of over three months		–	–	404,100	–	226,575
Net cash flows used in investing activities		(1,873,537)	(2,003,385)	(2,687,744)	(836,632)	(1,679,690)

	Notes	Year ended 31 December 2023	2024	2025	Four months ended 30 April 2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from issue of convertible bonds		1,139,615	–	–	–	–
Redemption of convertible bonds		–	(2,533)	(889)	–	–
Proceeds from issue of restricted shares		–	112,907	55,032	19,999	647
Repurchase and cancellation of forfeited restricted shares		(85,463)	(870)	(4,324)	(1,081)	–
New bank and other borrowings		192,785	498,484	2,188,355	727,492	2,683,910
Repayment of bank and other borrowings		(210,965)	(574,299)	(372,968)	(129,940)	(342,355)
Interest paid		(46,714)	(29,114)	(50,629)	(12,795)	(22,160)
Dividends paid		(423,625)	(420,937)	(740,438)	–	–
Payment of listing expenses		–	–	(7,983)	–	(12,277)
Payment of lease liabilities		(20,067)	(22,461)	(22,210)	(5,119)	(8,143)
(Increase)/decrease in pledged and restricted deposits		(109,298)	(25,830)	(181,898)	28,068	(99,392)
Net cash flows from/(used in) financing activities		436,268	(464,653)	862,048	626,624	2,200,230
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		678,222	(178,409)	105,529	393,868	1,013,929
Cash and cash equivalents at beginning of year/period		1,275,555	1,968,398	1,838,432	1,838,432	1,941,199
Effect of foreign exchange rate changes, net		14,621	48,443	(2,762)	21,258	(44,206)
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD		1,968,398	1,838,432	1,941,199	2,253,558	2,910,922
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS						
Cash and bank balances	24	2,287,807	2,183,671	2,693,336	2,970,729	3,537,451
Less: Pledged and restricted deposits	24	319,409	345,239	527,137	317,171	626,529
Time deposits with original maturity of over three months	24	–	–	225,000	400,000	–
Cash and cash equivalents as stated in the consolidated statements of financial position and the consolidated statements of cash flows	24	1,968,398	1,838,432	1,941,199	2,253,558	2,910,922

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	Notes	As at 31 December			As at 30 April
		2023	2024	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS					
Property, plant and equipment	*13*	686,615	888,751	1,364,666	1,442,035
Right-of-use assets		136,696	115,423	118,527	115,131
Intangible assets	*15*	12,764	10,187	8,581	9,915
Investment in an associate	*16*	86,861	100,416	80,367	74,107
Investments in subsidiaries	*17*	5,526,438	6,063,313	6,160,676	6,262,924
Deferred tax assets	*18*	31,879	51,120	–	10,236
Prepayments, deposits and other receivables	*21*	13,260	117,428	86,449	50,010
Total non-current assets		6,494,513	7,346,638	7,819,266	7,964,358
CURRENT ASSETS					
Inventories	*19*	229,960	329,985	453,443	495,562
Trade and bills receivables	*20*	2,636,553	3,057,266	3,239,197	3,018,556
Prepayments, deposits and other receivables	*21*	304,108	981,989	1,567,103	1,834,394
Financial assets at fair value through profit or loss	*22*	250,000	270,000	182,180	82,624
Debt investments at fair value through other comprehensive income	*23*	165,315	231,977	305,665	297,002
Pledged and restricted deposits	*24*	53,621	46,052	46,976	78,172
Time deposits with original maturity of over three months	*24*	–	–	225,000	–
Cash and cash equivalents	*24*	1,146,160	843,630	338,752	1,022,436
Total current assets		4,785,717	5,760,899	6,358,316	6,828,746
CURRENT LIABILITIES					
Accounts and bills payables	*25*	4,159,722	5,367,790	5,039,915	4,114,556
Financial liabilities at fair value through profit or loss	*27*	583	–	–	–
Contract liabilities	*28*	1,573	1,483	4,792	12,372
Other payables and accruals	*26*	172,614	351,244	350,876	839,613
Convertible bonds	*31*	11,974	4,283	–	–
Interest-bearing bank and other borrowings	*30*	81,607	139,788	218,276	347,649
Lease liabilities		18,214	9,671	13,257	9,119
Tax payable		–	11,813	–	–
Total current liabilities		4,446,287	5,886,072	5,627,116	5,323,309
NET CURRENT ASSETS/(LIABILITIES)		339,430	(125,173)	731,200	1,505,437
TOTAL ASSETS LESS CURRENT LIABILITIES		6,833,943	7,221,465	8,550,466	9,469,795

		As at 31 December			As at 30 April
	Notes	**2023**	**2024**	**2025**	**2026**
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
NON-CURRENT LIABILITIES					
Convertible bonds	*31*	2,640,361	1,027,889	–	–
Interest-bearing bank and other borrowings	*30*	98,064	90,374	751,393	1,322,333
Lease liabilities		8,322	–	3,687	6,103
Deferred income	*29*	37,940	48,072	66,752	64,198
Deferred tax liabilities	*18*	30,980	28,956	3,799	–
Total non-current liabilities		2,815,667	1,195,291	825,631	1,392,634
Net assets		4,018,276	6,026,174	7,724,835	8,077,161
EQUITY					
Share capital	*32*	841,874	932,532	984,812	984,857
Treasury shares	*32*	–	(112,037)	(85,089)	(85,089)
Equity component of convertible bonds		488,025	177,667	–	–
Reserves	*34*	2,688,377	5,028,012	6,825,112	7,177,393
Total equity		4,018,276	6,026,174	7,724,835	8,077,161

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

Shenzhen Kinwong Electronic Co., Ltd. (深圳市景旺電子股份有限公司) (the "Company") was a joint stock company with limited liability established in the People's Republic of China ("PRC") on 9 March 1993. With the approval of the China Securities Regulatory Commission, the Company completed its initial public offering and was listed on the main board of the Shanghai Stock Exchange (stock code: 603228) in January 2017. The registered office of the Company is located at 166 Tiegang Shuiku Road, Xixiang Subdistrict, Bao'an District, Shenzhen, PRC.

During the Relevant Periods and the four months ended 30 April 2025, the Company and its subsidiaries (collectively referred to as the "Group") were principally engaged in the manufacture and sale of printed circuit boards ("PCB").

As at 30 April 2026, 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	
			%	%	
Kinwong Electronic Technology (Longchuan) Co., Ltd.* ("景旺電子科技(龍川)有限公司") *(note (a))*	PRC/Chinese mainland 13 June 2006	USD37,000,000	75	25	Research and development, manufacturing and sales of PCB products
Longchuan Kinwong Electronic Materials Co., Ltd.* ("龍川景旺金屬基複合材料有限公司") *(note (b))*	PRC/Chinese mainland 27 August 2010	RMB5,000,000	–	100	Manufacture of PCB products
Longchuan ZongDe Electronic Technology Co., Ltd.* ("龍川宗德電子科技有限公司") *(note (b))*	PRC/Chinese mainland 24 May 2010	RMB30,000,000	–	100	Self own properties management
Jiangxi Kinwong Precision Circuit Co., Ltd.* ("江西景旺精密電路有限公司") *(note (a))*	PRC/Chinese mainland 22 September 2011	RMB800,000,000	100	–	Research and development, manufacturing and sales of PCB products
Kinwong Electronic (Hong Kong) Limited *(note (c))*	Hong Kong 24 February 2011	USD12,664,000	100	–	Sales of PCB products
Kinwong Electronic Europe Gmbh *(note (b))*	Germany 16 January 2015	EUR50,000	–	100	Sales of PCB products
Kinwong Electronic USA, Inc. *(note (b))*	United States 13 May 2019	USD200,000	–	100	Sales of PCB products
Kinwong Electronics Japan Co., Ltd. *(note (b))*	Japan 17 September 2019	JPY8,000,000	–	100	Sales of PCB products
Kinwong Electronic Technology (Zhuhai) Co., Ltd.* ("景旺電子科技(珠海)有限公司") *(note (a))*	PRC/Chinese mainland 21 August 2017	RMB3,000,000,000	100	–	Research and development, manufacturing, and sales of PCB products
Zhuhai Kinwong Flexible Circuit Co., Ltd.* ("珠海景旺柔性電路有限公司") *(note (a))*	PRC/Chinese mainland 19 April 2004	RMB650,000,000	51	–	Research and development, manufacturing and sales of PCB products
Zhuhai Kinwong Investment Co., Ltd.* ("珠海景旺投資有限公司") *(note (b))*	PRC/Chinese mainland 13 February 2018	RMB30,000,000	100	–	Investment
Jishui Jinghong Yongchang Enterprise Management Co., Ltd.* ("吉水縣景鴻永昶企業管理有限公司") *(note (b))*	PRC/Chinese mainland 7 March 2018	RMB2,000,000	–	100	Self own properties management
Shenzhen Jingjia Semiconductor Co., Ltd.* ("深圳市景嘉半導體有限公司") *(note (b))*	PRC/Chinese mainland 17 December 2021	RMB10,000,000	100	–	Sales of PCB products
Kinwong Electronic Technology (Ganzhou) Co., Ltd.* ("景旺電子科技(贛州)有限公司") *(note (a))*	PRC/Chinese mainland 20 February 2023	RMB700,000,000	100	–	Manufacture of PCB products

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 Direct	Indirect	Principal activities
			%	%	
Kinwong Electronic (Singapore) Pte. Ltd. *(note (b))*	Singapore 25 August 2023	SGD18,100,000	–	100	Sales of PCB products
Kinwong Electronic (Thailand) Co., Ltd. *(note (b))*	Thailand 24 October 2023	THB1,320,000,000	–	100	Manufacturing and sales of PCB products
Shenzhen Jinghong Ruixun Electronics Co., Ltd.* ("深圳市景弘瑞訊電子有限公司") *(note (b))*	PRC/Chinese mainland 23 February 2024	RMB10,000,000	100	–	Manufacture of PCB products
Ji'an Kinwong Technical Service Co., Ltd. * ("吉安市景旺技術服務有限公司") *(note (b))* . .	PRC/Chinese mainland 22 October, 2025	RMB2,000,000	–	100	Information technology consulting services

* 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 these entities for the years ended 31 December 2023, 2024 and 2025 prepared under China Accounting Standards for Business Enterprises ("CAS") were audited by Baker Tilly International Certified Public Accountants LLP ("天職國際會計師事務所(特殊普通合夥)"), certified public accountants registered in the PRC.

(b) No audited financial statements have been prepared for these entities for the years ended 31 December 2023, 2024 and 2025.

(c) The statutory financial statements of this entity for the years ended 31 December 2023, 2024 and 2025 prepared under HKFRS Accounting Standards were audited by Shine Wise & Co., certified public accountants registered in Hong Kong.

2.1 BASIS OF PREPARATION

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 1 January 2026, 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.

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 shareholders of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the foreign currency translation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective, in the Historical Financial Information. The Group intends to apply these new and amended IFRS Accounting Standards, if applicable, when they become effective.

IFRS 18	*Presentation and Disclosure in Financial Statements*[1]
IFRS 19 and its amendments	*Subsidiaries without Public Accountability: Disclosures*[1]
IFRS 20	*Regulatory Assets and Regulatory Liabilities*[2]
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*[1]
Amendments to IAS 28	*Fair Value Option for Investments in Associates and Joint Ventures*[1]

1 Effective for annual/reporting periods beginning on or after 1 January 2027

2 Effective for annual/reporting periods beginning on or after 1 January 2029

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 amended IFRS Accounting Standards upon initial application. So far, the Group considers that these new and amended IFRS Accounting Standards, except for IFRS 18, may result in changes in certain accounting policies but are unlikely to have a significant impact on the Group's financial performance and financial position in the period of initial application. The application of IFRS 18 is not expected to have material impact on the consolidated statements of financial position but is expected to affect the presentation of the consolidated statements of profit or loss and other comprehensive income and the consolidated statements 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

Investment in an associate

An associate is an entity in which the Group has a long-term interest of generally not less than 20% of the equity voting rights and over which it has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investment in an associate is stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

The Group's share of the post-acquisition results and other comprehensive income of the associate is included in the consolidated statement of 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 an associate is included as part of the Group's investment in an 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 or joint control 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 reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by 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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the 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 recognised in the financial statements 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 recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Freehold land	Not depreciated as the freehold land has unlimited useful life
Buildings	1.80% to 18.00%
Machinery	9.00% to 18.00%
Renovation and leasehold improvements	10.00% to 66.67%
Others	9.00% to 18.00%

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 recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method for intangible assets with a finite useful life are reviewed at least at each financial year end.

Software	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 capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Buildings	2 to 10 years
Land use rights	30 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 recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases

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 recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease term and is included in revenue in profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are accounted for as finance leases.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Debt investments at fair value through other comprehensive income

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on the equity investments are also recognised as other income in profit or loss when the right of payment has been established.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or

- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss ("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 recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At 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 that there has been a significant increase in credit risk when contractual payments are overdue more than 30 days.

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.

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade 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 and bills receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

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 recognised 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 accounts 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 amortised cost (Accounts and bills payables, other payables and accruals, interest-bearing bank and other borrowings)

After initial recognition, accounts and bills payables, other payables and accruals, interest-bearing bank and other borrowings are subsequently measured at amortised 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 recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised 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 amortisation is included in finance costs in profit or loss.

Convertible bonds

The component of convertible bonds that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs. On issuance of convertible bonds, the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond; and this amount is carried as a long-term liability on the amortised cost basis until extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in shareholders' equity, net of transaction costs. The carrying amount of the conversion option is not remeasured in subsequent years. Transaction costs are apportioned between the liability and equity components of the convertible bonds based on the allocation of proceeds to the liability and equity components when the instruments are first recognised.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, 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 recognised 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 recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

Derivatives are initially recognised 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 reporting period. 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 recognised 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 recognised directly in equity at cost. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost method and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable 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 realisable value is recognised 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 and form an integral part of the Group's cash management.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of each reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of taxable temporary differences associated with investments in subsidiaries 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 recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of deductible temporary differences associated with investments in subsidiaries and an associate, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Sale of PCB products

Revenue from the sale of PCB products is recognised at the point in time when control of the assets are transferred to the customers: For domestic sales, the goods are transferred upon acceptance of the customers. For export sales, the goods are transferred at the point defined by the terms of international trade.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related services. Contract liabilities are recognised 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 — 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 capitalised as part of the cost of those assets. The capitalisation 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 recognises in its financial statements. The Group will adjust the amounts recognised 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 recognised 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 recognised 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 recognised 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 at which they are granted.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised 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 cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

Where an equity-settled award is cancelled, it is treated as an acceleration of vesting, and any expense that otherwise would have been recognised for services received over the remaining vesting period is recognised immediately.

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 financial statements 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 reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

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 recognises 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 currencies of the Groups' overseas subsidiaries are currencies other than RMB. As at the end of each reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve, except to the extent that the differences are attributable to non-controlling interests. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of the overseas subsidiaries which arise throughout the reporting period are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's Historical Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The Group had tax losses of RMB416,064,000, RMB478,417,000, RMB167,752,000 and RMB113,799,000 carried forward as at 31 December 2023, 2024 and 2025 and 30 April 2026, 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 recognise deferred tax assets on the tax losses carried forward.

If the Group had been able to recognise all unrecognised deferred tax assets, the profit and equity would have increased by RMB67,865,000, RMB76,989,000, RMB30,406,000 and RMB27,808,000 for the years ended 31 December 2023, 2024 and 2025 and 30 April 2026, 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 the reporting period, 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 calibrates 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 analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in note 20 to the Historical Financial Information.

Write-down of inventories to net realisable value

The Group reviews the carrying amounts of the inventories at the end of the reporting period to determine whether the inventories are carried at the lower of cost and net realisable value. The net realisable 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 the reporting period during the waiting period. Share-based payment expenses are recognised 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 market 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. Therefore, the Group has only one reportable operating segment, which engages in the manufacture and sales of PCB products. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

(a) Revenue from external customers

Revenue is attributed to geographical areas based on the locations of customers. Revenues by geographical based on the locations of customers for each of the Relevant Periods are presented as follows:

Segments	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (*Unaudited*)	*RMB'000*
Chinese mainland	6,724,947	7,735,111	9,614,188	2,834,814	3,182,390
Outside Chinese mainland*	4,032,355	4,924,262	5,693,864	1,698,799	2,159,002
Total revenue	10,757,302	12,659,373	15,308,052	4,533,613	5,341,392

* The revenue information above is based on the locations of the customers. The outside Chinese mainland include Hong Kong, Macau and Taiwan solely for the presentation purpose.

(b) Non-current assets

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Chinese mainland	8,263,675	9,428,942	11,484,583	12,635,914
Outside Chinese mainland	2,914	36,098	393,806	613,528
Total non-current assets	8,266,589	9,465,040	11,878,389	13,249,442

The non-current asset information above is based on the locations of the assets and excludes deferred tax assets and financial instruments.

Information about major customers

No revenue from sales to a single customer or a group of customers under common control accounted for 10% or more of the Group's revenue for the years ended 31 December 2023, 2024 and 2025 and the four months ended 30 April 2025 and 2026.

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (*Unaudited*)	*RMB'000*
Revenue from contracts with customers	10,757,302	12,659,373	15,308,052	4,533,613	5,341,392

Revenue from contracts with customers

(a) Disaggregated revenue information

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (*Unaudited*)	*RMB'000*
Types of products					
PCB products	10,240,933	11,984,837	14,372,623	4,284,750	4,920,632
Others*	516,369	674,536	935,429	248,863	420,760
Total revenue from contracts with customers	10,757,302	12,659,373	15,308,052	4,533,613	5,341,392

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Geographical markets					
Chinese mainland	6,724,947	7,735,111	9,614,188	2,834,814	3,182,390
Outside Chinese mainland	4,032,355	4,924,262	5,693,864	1,698,799	2,159,002
Total revenue from contracts with customers	10,757,302	12,659,373	15,308,052	4,533,613	5,341,392
Timing of revenue recognition					
Goods transferred at a point in time	10,757,302	12,659,373	15,308,052	4,533,613	5,341,392

* Others mainly represented the sales of production residues which contain copper.

The following table shows the amounts of revenue recognised during the Relevant Periods and the four months ended 30 April 2025 that were included in the contract liabilities at the beginning of each reporting period.

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:					
PCB products	2,488	7,997	5,795	3,467	6,076

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of PCB products

The performance obligation is satisfied upon the delivery of the PCB products. The payment is generally due within 30 to 120 days from delivery, except for new customers, where payment in advance is normally required.

An analysis of other income and gains is as follows:

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Other income					
Interest income	31,257	48,285	41,660	8,537	12,276
Government grants*	124,312	212,852	144,197	55,185	18,474
Total other income	155,569	261,137	185,857	63,722	30,750
Gains					
Gains on foreign exchange differences	32,101	45,976	–	49,735	–
Gains on disposal of land use rights	238	–	–	–	–
Fair value gains on financial assets at fair value through profit or loss	9,482	6,339	153,811	59,206	80,085
Others	4,738	4,436	4,081	426	904
Total gains	46,559	56,751	157,892	109,367	80,989
Total other income and gains	202,128	317,888	343,749	173,089	111,739

* The amount included government grants related to expense items and assets items. These government grants related to expense items were awarded for the Company's contribution to local economic growth and reimbursed for the Company's operating expenditures. These grants related to expense items are recognised in profit or loss upon receipt and there are no unfulfilled conditions or contingencies relating to these grants. The Company has also received certain government grants related to the investments in plant and equipment. The grants related to assets were recognised as deferred income upon receipt. 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):

		Year ended 31 December			Four months ended 30 April	
	Notes	2023	2024	2025	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Cost of inventories sold		8,264,978	9,781,688	12,003,163	3,596,235	4,340,192
Write-down of inventories to net realisable value***		48,249	57,260	65,683	21,460	37,834
Research and development costs*		600,696	757,587	929,932	272,312	280,739
Depreciation of property, plant and equipment	*13*	736,145	777,063	931,736	283,011	372,305
Depreciation of right-of-use assets	*14(a)*	27,106	29,463	29,310	7,622	10,775
Amortisation of intangible assets	*15*	12,243	10,105	10,010	3,358	3,490
Impairment of property, plant and equipment***		17,857	6,706	2,708	963	174
Lease payments not included in the measurement of lease liabilities	*14(c)*	3,659	3,956	9,653	2,676	3,087
Listing expenses		–	–	1,768	–	104
Employee benefit expenses (excluding directors' and supervisors' remuneration *(note 8)*):						
Wages, salaries and other allowances		1,773,708	2,086,584	2,522,594	779,487	906,474
Pension costs, housing funds, medical insurances and other social insurances**		150,277	184,719	254,457	76,954	100,086
Share-based payment expenses		11,897	86,430	133,193	52,584	33,135
Total employee benefit expenses		1,935,882	2,357,733	2,910,244	909,025	1,039,695
(Gains)/losses on foreign exchange differences****		(32,101)	(45,976)	28,240	(49,735)	79,719

	Notes	Year ended 31 December			Four months ended 30 April	
		2023	2024	2025	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Impairment losses/(reversal of impairment) on financial assets, net***		7,216	31,869	32,876	(4,096)	(8,497)
Fair value losses on derivative financial instruments***		52,595	142	–	–	–
Net losses on disposal of items of property, plant and equipment***		3,201	8,811	11,048	1,216	1,911
Net losses on disposal of intangible assets***		–	21	–	–	–

* The depreciation, amortization and employee benefit expenses attributable to the research and development activities are included in "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.

*** Included in "Other expenses" in profit or loss.

**** Included in "Other income and gains" or "Other expenses" in profit or loss.

7. FINANCE COSTS

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Interest on bank loans and other loans (including convertible bonds)	146,160	113,235	76,851	26,419	31,777
Interest on lease liabilities	926	849	656	116	306
Total	147,086	114,084	77,507	26,535	32,083

8. DIRECTORS' AND SUPERVISORS' REMUNERATION

Directors' and supervisors' remuneration for the Relevant Periods is set out below:

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Fees	552	690	694	232	230
Other emoluments:					
Salaries, allowances and benefits in kind	8,204	8,452	8,399	2,960	2,378
Performance related bonuses	2,951	2,771	3,034	1,011	741
Share-based payment expenses	–	661	851	393	155
Pension costs, housing funds, medical insurances and other social insurances	147	190	228	75	40

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Subtotal	11,302	12,074	12,512	4,439	3,314
Total	11,854	12,764	13,206	4,671	3,544

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the Relevant Periods and the four months ended 30 April 2025 were as follows:

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Dr. Zhou Guoyun	104	150	153	52	50
Dr. Xin Guosheng *(i)*	–	–	58	–	50
Dr. Cao Chunfang	104	150	150	50	50
Mr. He Qiang *(ii)*	104	150	93	50	–
Total	312	450	454	152	150

There were no other emoluments payable to the independent non-executive directors during the Relevant Periods and the four months ended 30 April 2025.

(b) Executive directors and non-executive directors

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Pension costs, housing funds, medical insurances and other social insurances	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended 31 December 2023					
Executive directors:					
Mr. Liu Yu *(iii)*	–	1,904	660	33	2,597
Mr. Deng Li	–	1,444	610	19	2,073
Subtotal	–	3,348	1,270	52	4,670
Non-Executive directors:					
Mr. Liu Shaobai *(iv)*	–	1,905	800	–	2,705
Mr. Cheuk Yung	–	1,274	420	16	1,710
Ms. Huang Xiaofen	240	–	–	–	240
Ms. Cheuk Kwan	–	234	–	12	246
Subtotal	240	3,413	1,220	28	4,901
Supervisors:					
Ms. Chen Yating	–	249	30	12	291
Mr. Jiang Weirong	–	1,034	420	43	1,497
Ms. Wang Xuelan	–	160	11	12	183
Subtotal	–	1,443	461	67	1,971
Total	240	8,204	2,951	147	11,542

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Pension costs, housing funds, medical insurances and other social insurances	Share-based payment expenses	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended 31 December 2024						
Executive directors:						
Mr. Liu Yu *(iii)*	–	1,924	651	33	–	2,608
Mr. Deng Li	–	1,538	564	26	661	2,789
Subtotal	–	3,462	1,215	59	661	5,397
Non-executive directors:						
Mr. Liu Shaobai *(iv)*	–	1,920	612	–	–	2,532
Mr. Cheuk Yung	–	1,285	382	16	–	1,683
Ms. Huang Xiaofen	240	–	–	–	–	240
Ms. Cheuk Kwan	–	237	–	11	–	248
Subtotal	240	3,442	994	27	–	4,703
Supervisors:						
Ms. Chen Yating	–	284	20	13	–	317
Mr. Jiang Weirong	–	1,099	532	78	–	1,709
Ms. Wang Xuelan	–	165	10	13	–	188
Subtotal	–	1,548	562	104	–	2,214
Total	240	8,452	2,771	190	661	12,314

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Pension costs, housing funds, medical insurances and other social insurances	Share-based payment expenses	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended 31 December 2025						
Executive directors:						
Mr. Liu Yu *(iii)*	–	1,936	660	34	–	2,630
Mr. Deng Li	–	1,503	580	36	851	2,970
Subtotal	–	3,439	1,240	70	851	5,600
Non-executive directors:						
Mr. Liu Shaobai *(iv)*	–	1,919	608	–	–	2,527
Mr. Cheuk Yung	–	1,293	379	34	–	1,706
Ms. Huang Xiaofen	240	–	–	–	–	240
Ms. Cheuk Kwan	–	239	–	11	–	250
Subtotal	240	3,451	987	45	–	4,723
Supervisors:						
Ms. Chen Yating *(v)*	–	281	252	16	–	549
Mr. Jiang Weirong *(v)*	–	1,075	546	81	–	1,702
Ms. Wang Xuelan *(v)*	–	153	9	16	–	178
Subtotal	–	1,509	807	113	–	2,429
Total	240	8,399	3,034	228	851	12,752

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Pension costs, housing funds, medical insurances and other social insurances	Share-based payment expenses	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Four months ended 30 April 2025 *(unaudited)*						
Executive directors:						
Mr. Liu Yu *(iii)*	–	731	220	12	–	963
Mr. Deng Li	–	501	193	13	393	1,100
Subtotal	–	1,232	413	25	393	2,063
Non-executive directors:						
Mr. Liu Shaobai *(iv)*	–	644	203	–	–	847
Mr. Cheuk Yung	–	485	126	9	–	620
Ms. Huang Xiaofen	80	–	–	–	–	80
Ms. Cheuk Kwan	–	93	–	4	–	97
Subtotal	80	1,222	329	13	–	1,644
Supervisors:						
Ms. Chen Yating *(v)*	–	95	84	5	–	184
Mr. Jiang Weirong *(v)*	–	357	182	27	–	566
Ms. Wang Xuelan *(v)*	–	54	3	5	–	62
Subtotal	–	506	269	37	–	812
Total	80	2,960	1,011	75	393	4,519

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Pension costs, housing funds, medical insurances and other social insurances	Share-based payment expenses	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Four months ended 30 April 2026						
Executive directors:						
Mr. Liu Yu *(iii)*	–	707	220	11	–	938
Mr. Deng Li	–	496	193	12	155	856
Subtotal	–	1,203	413	23	155	1,794
Non-executive directors:						
Mr. Liu Shaobai *(iv)*	–	619	202	–	–	821
Mr. Cheuk Yung	–	467	126	13	–	606
Ms. Huang Xiaofen	80	–	–	–	–	80
Ms. Cheuk Kwan	–	89	–	4	–	93
Subtotal	80	1,175	328	17	–	1,600
Total	80	2,378	741	40	155	3,394

Notes:

(i) Dr. Xin Guosheng was appointed as an Independent Non-Executive Director on 13 August 2025.

(ii) Mr. He Qiang resigned as an Independent Non-Executive Director of the Company on 13 August 2025.

(iii) Mr. Liu Yu is the chief executive officer of the Company.

(iv) Mr. Liu Shaobai is the chairman of the board of the Company.

(v) The Company dissolved the supervisory committee in July 2025. Ms. Chen Yating, Mr. Jiang Weirong and Ms. Wang Xuelan resigned from their positions as supervisors accordingly. The remuneration of the supervisors include the remuneration received from the Company during the entire year in which they resigned from their positions.

There was no arrangement under which a director or a supervisor waived or agreed to waive any remuneration during the Relevant Periods and the four months ended 30 April 2025.

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group included three directors, two directors, two directors, one director and two directors during the years ended 31 December 2023, 2024 and 2025 and the four months ended 30 April 2025 and 2026, respectively, details of whose remuneration are set out in note 8 above. Details of the remuneration of the remaining two, three, three, four and three highest paid employees who are neither a director, nor supervisor of the Company are as follows:

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Salaries, allowances and benefits in kind	2,559	4,508	6,123	2,098	1,634
Performance related bonuses	1,377	1,693	2,250	682	730
Share-based payment expenses	–	1,752	2,793	1,403	934
Pension costs, housing funds, medical insurances and other social insurances	91	176	182	77	65
Total	4,027	8,129	11,348	4,260	3,363

The number of highest paid employees who are neither a director, nor supervisor whose remuneration fell within the following bands is as follows:

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
				(Unaudited)	
HK$500,001 to HK$1,000,000	–	–	–	–	1
HK$1,000,001 to HK$1,500,000	–	–	–	4	1
HK$1,500,001 to HK$2,000,000	–	–	–	–	1
HK$2,000,001 to HK$2,500,000	2	–	–	–	–
HK$2,500,001 to HK$3,000,000	–	2	–	–	–
HK$3,000,001 to HK$3,500,000	–	1	2	–	–
HK$5,500,001 to HK$6,000,000	–	–	1	–	–
Total	2	3	3	4	3

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.

Chinese mainland

Pursuant to the Corporate Income Tax Law of the PRC and the respective regulations (the "CIT Law"), the Company and subsidiaries which operate in 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) Several subsidiaries of the Group accredited as High and New Technology Enterprises under the tax law, which were entitled to a preferential CIT rate of 15% for the Relevant Periods.

(b) Several subsidiaries of the Group were qualified as small and micro-sized enterprises and enjoyed a corporate income tax incentive. These entities were entitled to a preferential CIT rate of 20% for the Relevant Periods.

Hong Kong

The first HK$2,000,000 of assessable profits of this subsidiary are taxed at 8.25% and the remaining assessable profits were taxed at 16.5% for the Relevant Periods.

Thailand

The subsidiary incorporated in Thailand was subject to the 20% of its taxable profits for the Relevant Periods.

Other overseas areas

The Company's other overseas subsidiaries or branches were subject to income tax at rates ranging from 4.25% to 23.2% during the Relevant Periods and the four months ended 30 April 2025.

Pillar Two income taxes

The Group is within the scope of the Pillar Two model rules. The Group has applied the temporary mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes from 1 January 2024. Pillar Two legislation has been enacted as at 30 April 2026 in certain jurisdictions in which the Group operates, such as Germany, Hong Kong, Singapore, etc.

The Group has assessed its potential exposure based on the information available regarding the financial performance of the Group during the Relevant Periods. As such, it may not be entirely representative of future circumstances. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which it operates are above 15%. There are a limited number of jurisdictions where the Pillar Two effective tax rate is slightly below 15%. The Group does not expect a material exposure to Pillar Two income taxes. The Group continues to follow Pillar Two legislative developments, as more countries prepare to enact the Pillar Two model rules, to evaluate the potential future impact on its financial statements.

The income tax expenses of the Group for the Relevant Periods are as follows:

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Current income tax	219,605	212,750	198,461	64,034	38,350
Deferred income tax	(83,104)	(52,519)	21,904	(6,759)	(17,373)
Total	136,501	160,231	220,365	57,275	20,977

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 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Profit before tax	1,047,530	1,320,439	1,464,383	481,560	337,896
Tax at the statutory tax rate	157,130	198,066	219,657	72,234	50,684
Effect on different tax rates for enacted by local authority	319	(4,261)	3,750	(772)	(142)
Adjustments in respect of current tax of previous periods	6,268	2,129	28,524	377	335
Additional deduction for research and development expenses	(41,713)	(47,791)	(52,417)	(17,293)	(17,745)
Expenses not deductible for tax	3,473	5,042	11,865	1,416	3,136
Effect on opening deferred tax of decrease in rates	–	–	5,746	–	–
Tax losses and deductible temporary differences utilised from previous periods	–	(27)	(44)	–	(15,632)
Tax losses and deductible temporary differences not recognised	11,817	7,669	3,661	1,313	341
Effect of special equipment on income tax credit	(793)	(596)	(377)	–	–
Tax charge at the Group's effective tax rate	136,501	160,231	220,365	57,275	20,977

11. DIVIDEND

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Final dividend in respect of the previous year/period, declared during the following year/period (tax inclusive)	423,625	420,937	747,383	–	541,625

The final dividend of RMB5.0 per 10 ordinary shares (tax inclusive) in respect of the year ended 31 December 2022, with aggregate amount of approximately RMB423,625,000, was approved by the annual general meeting of the Company, and was subsequently paid on 7 June 2023.

The final dividend of RMB5.0 per 10 ordinary shares (tax inclusive) in respect of the year ended 31 December 2023, with aggregate amount of approximately RMB420,937,000, was approved by the annual general meeting of the Company, and was subsequently paid on 6 June 2024.

The final dividend of RMB8.0 per 10 ordinary shares (tax inclusive) in respect of the year ended 31 December 2024, with aggregate amount of approximately RMB747,960,000, was approved by the annual general meeting of the Company, which was subsequently update to approximately RMB747,383,000 based on the Company's outstanding shares as of the ex-dividend date. Approximately RMB740,438,000 was paid by the Company on 11 June 2025 while the remaining balance of approximately RMB6,945,000 was recorded in the Company's other payables and accruals (note 26).

The final dividend of RMB5.5 per 10 ordinary shares (tax inclusive) in respect of the year ended 31 December 2025, with aggregate amount of approximately RMB541,671,000, was approved by the annual general meeting of the Company, which was subsequently update to approximately RMB541,625,000 based on the deduction of dividends of lapsed restricted shares under restricted share units incentive plan. As at 30 April 2026, the final dividend has not yet been paid by the Company and recorded in the other payables and accruals (note 26).

12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY SHAREHOLDERS OF THE COMPANY

The calculation of the basic earnings per share amounts is based on the profit attributable to shareholders of the company, adjusted to reflect the impact of the restricted share incentive scheme, and the weighted averages number of ordinary shares outstanding during the Relevant Periods and the four months ended 30 April 2025.

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 company. 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 calculation:

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Earnings					
Profit for the year/period attributable to shareholders of the company	936,252	1,169,026	1,230,970	419,907	304,671
Less: Cash dividends distributable to the restricted share incentive scheme	–	(870)	(6,946)	(6,946)	(4,984)
Adjusted profit attributable to ordinary equity holders of the company, used in the basic earnings per share calculation	936,252	1,168,156	1,224,024	412,961	299,687
Cash dividends distributable to the restricted share incentive scheme	–	870	–	–	–

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Interest on convertible bonds	104,767	84,613	29,335	13,484	–
Adjusted profit attributable to ordinary equity holders of the company, used in the dilution earnings per share calculation	1,041,019	1,253,639	1,253,359	426,445	299,687

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	'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 calculation	841,873	874,915	941,784	920,903	968,811
Effect of dilution – weighted average number of ordinary shares:					
Convertible bonds	103,132	84,778	29,803	46,382	–
Share options and other incentive schemes	–	1,939	1,509	1,055	1,539
Total	945,005	961,632	973,096	968,340	970,350

13. PROPERTY, PLANT AND EQUIPMENT

The Group

31 December 2023	Buildings	Machinery	Others	Construction in progress	Renovation and leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023:						
Cost	2,411,306	6,535,956	209,452	276,166	144,917	9,577,797
Accumulated depreciation and impairment	(349,112)	(1,708,961)	(120,288)	–	(51,021)	(2,229,382)
Net carrying amount	2,062,194	4,826,995	89,164	276,166	93,896	7,348,415
At 1 January 2023, net of accumulated depreciation and impairment	2,062,194	4,826,995	89,164	276,166	93,896	7,348,415
Additions	–	360,089	26,097	556,954	40,151	983,291
Disposals	(309)	(9,995)	(464)	–	–	(10,768)
Transfers	349,792	–	–	(349,792)	–	–
Depreciation provided during the year	(95,913)	(582,480)	(24,906)	–	(32,846)	(736,145)
Impairment *(note (a))*	–	(17,054)	(803)	–	–	(17,857)
At 31 December 2023, net of accumulated depreciation and impairment	2,315,764	4,577,555	89,088	483,328	101,201	7,566,936
At 31 December 2023:						
Cost	2,760,425	6,847,654	231,683	483,328	185,068	10,508,158
Accumulated depreciation and impairment	(444,661)	(2,270,099)	(142,595)	–	(83,867)	(2,941,222)
Net carrying amount *(note (b))*	2,315,764	4,577,555	89,088	483,328	101,201	7,566,936

31 December 2024	Buildings	Machinery	Others	Freehold land	Construction in progress	Renovation and leasehold improvements	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024:							
Cost	2,760,425	6,847,654	231,683	–	483,328	185,068	10,508,158
Accumulated depreciation and impairment	(444,661)	(2,270,099)	(142,595)	–	–	(83,867)	(2,941,222)
Net carrying amount	2,315,764	4,577,555	89,088	–	483,328	101,201	7,566,936
At 1 January 2024, net of accumulated depreciation and impairment	2,315,764	4,577,555	89,088	–	483,328	101,201	7,566,936
Additions	–	929,929	47,756	32,545	567,117	67,142	1,644,489
Disposals	(1,748)	(19,239)	(687)	–	–	(188)	(21,862)
Transfers	261,013	–	4,153	–	(265,486)	320	–
Exchange realignment	–	–	–	–	3	–	3
Depreciation provided during the year	(106,957)	(601,443)	(27,966)	–	–	(40,697)	(777,063)
Impairment *(note (a))*	–	(6,702)	(4)	–	–	–	(6,706)
At 31 December 2024, net of accumulated depreciation and impairment	2,468,072	4,880,100	112,340	32,545	784,962	127,778	8,405,797
At 31 December 2024:							
Cost	3,019,678	7,630,850	275,427	32,545	784,962	252,342	11,995,804
Accumulated depreciation and impairment	(551,606)	(2,750,750)	(163,087)	–	–	(124,564)	(3,590,007)
Net carrying amount *(note (b))*	2,468,072	4,880,100	112,340	32,545	784,962	127,778	8,405,797

31 December 2025	Buildings	Machinery	Others	Freehold land	Construction in progress	Renovation and leasehold improvements	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025:							
Cost	3,019,678	7,630,850	275,427	32,545	784,962	252,342	11,995,804
Accumulated depreciation and impairment	(551,606)	(2,750,750)	(163,087)	–	–	(124,564)	(3,590,007)
Net carrying amount	2,468,072	4,880,100	112,340	32,545	784,962	127,778	8,405,797
At 1 January 2025, net of accumulated depreciation and impairment	2,468,072	4,880,100	112,340	32,545	784,962	127,778	8,405,797
Additions	–	2,325,792	41,866	7,214	696,495	121,767	3,193,134
Disposals	(11,250)	(21,466)	(1,304)	–	–	(6,313)	(40,333)
Transfers	846,471	29,596	–	–	(877,820)	1,753	–
Exchange realignment	–	–	17	1,843	6,080	–	7,940
Depreciation provided during the year	(121,061)	(723,676)	(30,660)	–	–	(56,339)	(931,736)
Impairment *(note (a))*	–	(2,537)	(171)	–	–	–	(2,708)
At 31 December 2025, net of accumulated depreciation and impairment	3,182,232	6,487,809	122,088	41,602	609,717	188,646	10,632,094
At 31 December 2025:							
Cost	3,852,913	9,897,043	305,722	41,602	609,717	369,548	15,076,545
Accumulated depreciation and impairment	(670,681)	(3,409,234)	(183,634)	–	–	(180,902)	(4,444,451)
Net carrying amount *(note (b))*	3,182,232	6,487,809	122,088	41,602	609,717	188,646	10,632,094

30 April 2026	Buildings	Machinery	Others	Freehold land	Construction in progress	Renovation and leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2026:							
Cost	3,852,913	9,897,043	305,722	41,602	609,717	369,548	15,076,545
Accumulated depreciation and impairment	(670,681)	(3,409,234)	(183,634)	–	–	(180,902)	(4,444,451)
Net carrying amount	3,182,232	6,487,809	122,088	41,602	609,717	188,646	10,632,094
At 1 January 2026, net of accumulated depreciation and impairment	3,182,232	6,487,809	122,088	41,602	609,717	188,646	10,632,094
Additions	–	516,229	17,985	–	703,123	52,527	1,289,864
Disposals	(3,571)	(3,789)	(138)	–	–	–	(7,498)
Transfers	12,633	–	–	–	(12,633)	–	–
Exchange realignment	–	(814)	(51)	(2,544)	(17,320)	–	(20,729)
Depreciation provided during the period	(46,699)	(289,382)	(11,444)	–	–	(24,780)	(372,305)
Impairment *(note (a))*	–	(174)	–	–	–	–	(174)
At 30 April 2026, net of accumulated depreciation and impairment	3,144,595	6,709,879	128,440	39,058	1,282,887	216,393	11,521,252
At 30 April 2026:							
Cost	3,861,520	10,396,421	320,844	39,058	1,282,887	422,075	16,322,805
Accumulated depreciation and impairment	(716,925)	(3,686,542)	(192,404)	–	–	(205,682)	(4,801,553)
Net carrying amount *(note (b))*	3,144,595	6,709,879	128,440	39,058	1,282,887	216,393	11,521,252

(a) The Group has identified obsolete machinery which was idle and not expected to be used in the future. The directors of the Group assessed the recoverable amounts of the obsolete machinery and provided impairment provision of RMB17,857,000, RMB6,706,000, RMB2,708,000 and RMB174,000 during the years ended 31 December 2023, 2024 and 2025 and the four months ended 30 April 2026.

(b) Certain property, plant and equipment with net carrying amounts of approximately RMB683,885,000, RMB1,081,051,000, RMB1,256,323,000 and RMB1,251,459,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, were pledged as security for bank facilities granted to the Group (note 30).

The Company

31 December 2023	Buildings	Machinery	Others	Construction in progress	Renovation and leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023:						
Cost	51,397	392,275	56,976	267,575	13,381	781,604
Accumulated depreciation and impairment	(27,791)	(148,595)	(36,682)	–	(9,399)	(222,467)
Net carrying amount	23,606	243,680	20,294	267,575	3,982	559,137
At 1 January 2023, net of accumulated depreciation and impairment	23,606	243,680	20,294	267,575	3,982	559,137
Additions	–	22,912	12,068	131,851	8,174	175,005
Disposals	(39)	(2,091)	(929)	–	–	(3,059)
Transfers	288,360	–	–	(288,360)	–	–
Depreciation provided during the year	(3,034)	(33,082)	(6,194)	–	(1,668)	(43,978)
Impairment *(note (a))*	–	(490)	–	–	–	(490)
At 31 December 2023, net of accumulated depreciation and impairment	308,893	230,929	25,239	111,066	10,488	686,615
At 31 December 2023:						
Cost	339,370	402,746	65,701	111,066	21,555	940,438
Accumulated depreciation and impairment	(30,477)	(171,817)	(40,462)	–	(11,067)	(253,823)
Net carrying amount	308,893	230,929	25,239	111,066	10,488	686,615

31 December 2024	Buildings	Machinery	Others	Construction in progress	Renovation and leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2024:						
Cost	339,370	402,746	65,701	111,066	21,555	940,438
Accumulated depreciation and impairment	(30,477)	(171,817)	(40,462)	–	(11,067)	(253,823)
Net carrying amount	308,893	230,929	25,239	111,066	10,488	686,615
At 1 January 2024, net of accumulated depreciation and impairment	308,893	230,929	25,239	111,066	10,488	686,615
Additions	7,532	32,818	26,451	212,301	4,431	283,533
Disposals	–	(23,244)	(493)	–	–	(23,737)
Transfers	3,603	–	–	(3,603)	–	–
Depreciation provided during the year	(12,256)	(31,947)	(9,476)	–	(3,054)	(56,733)
Impairment *(note (a))*	–	(924)	(3)	–	–	(927)
At 31 December 2024, net of accumulated depreciation and impairment	307,772	207,632	41,718	319,764	11,865	888,751
At 31 December 2024:						
Cost	350,505	391,008	87,923	319,764	25,986	1,175,186
Accumulated depreciation and impairment	(42,733)	(183,376)	(46,205)	–	(14,121)	(286,435)
Net carrying amount	307,772	207,632	41,718	319,764	11,865	888,751

31 December 2025	Buildings	Machinery	Others	Construction in progress	Renovation and leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2025:						
Cost	350,505	391,008	87,923	319,764	25,986	1,175,186
Accumulated depreciation and impairment	(42,733)	(183,376)	(46,205)	–	(14,121)	(286,435)
Net carrying amount	307,772	207,632	41,718	319,764	11,865	888,751
At 1 January 2025, net of accumulated depreciation and impairment	307,772	207,632	41,718	319,764	11,865	888,751
Additions	–	355,959	19,996	156,520	17,273	549,748
Disposals	–	(5,035)	(794)	–	(269)	(6,098)
Transfers	412,252	–	–	(412,252)	–	–
Depreciation provided during the year	(12,523)	(40,187)	(10,189)	–	(4,533)	(67,432)
Impairment *(note (a))*	–	(303)	–	–	–	(303)
At 31 December 2025, net of accumulated depreciation and impairment	707,501	518,066	50,731	64,032	24,336	1,364,666
At 31 December 2025:						
Cost	762,757	736,660	101,679	64,032	42,990	1,708,118
Accumulated depreciation and impairment	(55,256)	(218,594)	(50,948)	–	(18,654)	(343,452)
Net carrying amount	707,501	518,066	50,731	64,032	24,336	1,364,666

30 April 2026	Buildings	Machinery	Others	Construction in progress	Renovation and leasehold improvements	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2026:						
Cost	762,757	736,660	101,679	64,032	42,990	1,708,118
Accumulated depreciation and impairment	(55,256)	(218,594)	(50,948)	–	(18,654)	(343,452)
Net carrying amount	707,501	518,066	50,731	64,032	24,336	1,364,666
At 1 January 2026, net of accumulated depreciation and impairment	707,501	518,066	50,731	64,032	24,336	1,364,666
Additions	–	39,793	5,975	80,133	2,145	128,046
Disposals	–	(13,565)	(474)	–	–	(14,039)
Transfers	(1,058)	–	–	1,058	–	–
Depreciation provided during the period	(9,113)	(20,897)	(4,181)	–	(2,355)	(36,546)
Impairment *(note (a))*	–	(92)	–	–	–	(92)
At 30 April 2026, net of accumulated depreciation and impairment	697,330	523,305	52,051	145,223	24,126	1,442,035
At 30 April 2026:						
Cost	761,699	760,771	106,563	145,223	45,135	1,819,391
Accumulated depreciation and impairment	(64,369)	(237,466)	(54,512)	–	(21,009)	(377,356)
Net carrying amount	697,330	523,305	52,051	145,223	24,126	1,442,035

(a) The Company has identified obsolete machinery which was idle and not expected to be used in the future. The directors of the Company assessed the recoverable amounts of the obsolete machinery and provided impairment provision of RMB490,000, RMB927,000, RMB303,000 and RMB92,000 during the years ended 31 December 2023, 2024 and 2025 and the four months ended 30 April 2026.

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 31 December 2023	Buildings	Land use rights	Total
	RMB'000	RMB'000	RMB'000
At 1 January 2023, net of accumulated depreciation	32,207	236,347	268,554
Additions	13,038	20,719	33,757
Depreciation provided during the year	(19,368)	(7,738)	(27,106)
Disposals	(177)	(2,937)	(3,114)
At 31 December 2023, net of accumulated depreciation	25,700	246,391	272,091

Year ended 31 December 2024	Buildings	Land use rights	Total
	RMB'000	RMB'000	RMB'000
At 1 January 2024, net of accumulated depreciation	25,700	246,391	272,091
Additions	9,661	6,705	16,366
Depreciation provided during the year	(21,449)	(8,014)	(29,463)
At 31 December 2024, net of accumulated depreciation	13,912	245,082	258,994

Year ended 31 December 2025	Buildings	Land use rights	Total
	RMB'000	RMB'000	RMB'000
At 1 January 2025, net of accumulated depreciation	13,912	245,082	258,994
Additions	35,627	1	35,628
Depreciation provided during the year	(21,138)	(8,172)	(29,310)
At 31 December 2025, net of accumulated depreciation	28,401	236,911	265,312

Four months ended 30 April 2026	Buildings	Land use rights	Total
	RMB'000	RMB'000	RMB'000
At 1 January 2026, net of accumulated depreciation	28,401	236,911	265,312
Additions	4,945	18,808	23,753
Depreciation provided during the period	(8,024)	(2,751)	(10,775)
At 30 April 2026, net of accumulated depreciation	25,322	252,968	278,290

(i) Certain land use rights with net carrying amounts of approximately RMB47,754,000, RMB88,923,000, RMB86,601,000 and RMB104,505,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, were 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 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
At the beginning of the year/period	32,640	26,537	14,586	28,659
New leases	13,038	9,661	35,627	4,945
Accretion of interest recognised during the year/period *(note 7)*	926	849	656	306
Payments	(20,067)	(22,461)	(22,210)	(8,143)
Carrying amount at the end of the year/period	26,537	14,586	28,659	25,767
Analysed into:				
Current portion	18,214	11,020	16,747	12,417
Non-current portion	8,323	3,566	11,912	13,350

(c) The amounts recognised in profit or loss in relation to leases are as follows:

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Interest on lease liabilities *(note 7)*	926	849	656	116	306
Depreciation charge of right-of-use assets *(note 6)*	27,106	29,463	29,310	7,622	10,775
Expense relating to short-term leases and leases of low-value assets *(note 6)*	3,659	3,956	9,653	2,676	3,087
Total amount recognised in profit or loss	31,691	34,268	39,619	10,414	14,168

15. INTANGIBLE ASSETS

The Group

Software	Year ended 31 December 2023	2024	2025	Four months ended 30 April 2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of year/period:				
Cost	85,031	91,143	99,428	104,178
Accumulated amortisation	(52,440)	(64,629)	(74,642)	(84,634)
Net carrying amount	32,591	26,514	24,786	19,544
At beginning of year/period, net of accumulated amortisation	32,591	26,514	24,786	19,544
Additions	6,235	8,398	4,768	5,684
Amortisation provided during the year/period	(12,243)	(10,105)	(10,010)	(3,490)
Disposals	(69)	(21)	–	–
At end of year/period, net of accumulated amortisation	26,514	24,786	19,544	21,738
At end of year/period:				
Cost	91,143	99,428	104,178	109,862
Accumulated amortisation	(64,629)	(74,642)	(84,634)	(88,124)
Net carrying amount	26,514	24,786	19,544	21,738

The Company

Software	Year ended 31 December 2023	2024	2025	Four months ended 30 April 2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of year/period:				
Cost	41,693	44,912	47,061	49,943
Accumulated amortisation	(26,676)	(32,148)	(36,874)	(41,362)
Net carrying amount	15,017	12,764	10,187	8,581
At beginning of year/period, net of accumulated amortisation	15,017	12,764	10,187	8,581
Additions	3,342	2,149	2,882	2,899
Amortisation provided during the year/period	(5,526)	(4,726)	(4,488)	(1,565)
Disposals	(69)	–	–	–
At end of year/period, net of accumulated amortisation	12,764	10,187	8,581	9,915
At end of year/period:				
Cost	44,912	47,061	49,943	52,842
Accumulated amortisation	(32,148)	(36,874)	(41,362)	(42,927)
Net carrying amount	12,764	10,187	8,581	9,915

16. INVESTMENT IN AN ASSOCIATE

The Group and the Company

	As at 31 December 2023	2024	2025	As at 30 April 2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Share of net assets	40,460	50,367	31,757	25,497
Goodwill on acquisition	46,401	50,049	48,610	48,610
Total	86,861	100,416	80,367	74,107

There is no individually material associate of the Group.

The following table illustrates the aggregate financial information of the Group's an associate that is not individually material:

	Year ended 31 December			Four months ended 30 April
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Share of the associate's losses for the year/period	(8,139)	(18,014)	(20,049)	(6,260)
Share of the associate's total comprehensive losses	(8,139)	(18,014)	(20,049)	(6,260)
Aggregate carrying amount of the Group's investment in the associate	86,861	100,416	80,367	74,107

The investment is adjusted for the post-acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment. Impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred post-acquisition and that loss event (or events) has an impact on the estimated future cash flows from the investment that can be reliably estimated. The Group assessed that there is no objective evidence that the investment was impaired at the years ended 31 December 2023, 2024 and 2025 and the four months ended 30 April 2026.

17. INVESTMENTS IN SUBSIDIARIES

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Investment costs	5,526,438	6,063,313	6,160,676	6,262,924
Impairment*	–	–	–	–
Total	5,526,438	6,063,313	6,160,676	6,262,924

* The directors of the Company were of the view that there was no impairment indicators related to the investment in subsidiaries, no impairment has been made for the investment in the subsidiaries.

18. DEFERRED TAX

The movements in deferred tax assets and liabilities of the Group and the Company during the years ended 31 December 2023, 2024, 2025 and the four months ended 30 April 2026 are as follows:

Deferred tax assets

The Group

	Tax losses	Deferred income	Impairment	Unrealised internal trading profits	Lease liabilities	Fair value gains on financial liabilities at fair value through profit or loss	Expense of share based payment	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	83,889	24,146	37,185	9,937	4,880	–	4,407	164,444
Deferred tax credited/(charged) to the consolidated statement of profit or loss and other comprehensive income during the year	49,945	9,401	1,145	4,586	(899)	126	(4,407)	59,897
At 31 December 2023	133,834	33,547	38,330	14,523	3,981	126	–	224,341
At 1 January 2024	133,834	33,547	38,330	14,523	3,981	126	–	224,341
Deferred tax credited/(charged) to the consolidated statement of profit or loss and other comprehensive income during the year	19,991	18,414	6,925	2,598	(2,103)	(126)	13,233	58,932
At 31 December 2024	153,825	51,961	45,255	17,121	1,878	–	13,233	283,273

	Tax losses	Deferred income	Impairment	Unrealised internal trading profits	Lease liabilities	Fair value gains on financial liabilities at fair value through profit or loss	Expense of share based payment	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025	153,825	51,961	45,255	17,121	1,878	–	13,233	283,273
Deferred tax credited/(charged) to the consolidated statement of profit or loss and other comprehensive income during the year	41,024	5,846	3,623	(1,503)	2,018	–	(116)	50,892
At 31 December 2025	194,849	57,807	48,878	15,618	3,896	–	13,117	334,165
At 1 January 2026	194,849	57,807	48,878	15,618	3,896	–	13,117	334,165
Deferred tax credited/(charged) to the consolidated statement of profit or loss and other comprehensive income during the period	24,507	3,609	1,947	(11,774)	378	–	(25,992)	(7,325)
Deferred tax credited to the other reserve	–	–	–	–	–	–	29,491	29,491
At 30 April 2026	219,356	61,416	50,825	3,844	4,274	–	16,616	356,331

The Company

	Deferred income	Impairment	Tax losses	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	5,078	18,866	–	7,430	31,374
Deferred tax credited/(charged) to the statement of profit or loss and other comprehensive income during the year	613	3,254	–	(3,362)	505
At 31 December 2023	5,691	22,120	–	4,068	31,879
At 1 January 2024	5,691	22,120	–	4,068	31,879
Deferred tax credited to the statement of profit or loss and other comprehensive income during the year	1,520	12,806	–	4,915	19,241
At 31 December 2024	7,211	34,926	–	8,983	51,120
At 1 January 2025	7,211	34,926	–	8,983	51,120
Deferred tax credited to the statement of profit or loss and other comprehensive income during the year	2,802	19,924	13,095	3,926	39,747
At 31 December 2025	10,013	54,850	13,095	12,909	90,867
At 1 January 2026	10,013	54,850	13,095	12,909	90,867
Deferred tax (charged)/credited to the statement of profit or loss and other comprehensive income during the period	(383)	7,842	(13,095)	(15,379)	(21,015)
Deferred tax credited to the other reserve	–	–	–	11,146	11,146
At 30 April 2026	9,630	62,692	–	8,676	80,998

Deferred tax liabilities

The Group

	Accelerated depreciation of property, plant and equipment	Right-of-use assets	Fair value adjustment on acquisition	Fair value gains on financial assets at fair value through profit or loss	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023	148,169	4,831	1,604	2,979	157,583
Deferred tax credited to the consolidated statement of profit or loss and other comprehensive income during the year	(19,190)	(976)	(62)	(2,979)	(23,207)
At 31 December 2023	128,979	3,855	1,542	–	134,376
At 1 January 2024	128,979	3,855	1,542	–	134,376
Deferred tax charged/(credited) to the consolidated statement of profit or loss and other comprehensive income during the year	8,562	(2,085)	(64)	–	6,413
At 31 December 2024	137,541	1,770	1,478	–	140,789
At 1 January 2025	137,541	1,770	1,478	–	140,789
Deferred tax charged/(credited) to the consolidated statement of profit or loss and other comprehensive income during the year	47,934	2,097	(62)	22,827	72,796
At 31 December 2025	185,475	3,867	1,416	22,827	213,585
At 1 January 2026	185,475	3,867	1,416	22,827	213,585
Deferred tax (credited)/charged to the consolidated statement of profit or loss and other comprehensive income during the period	(12,371)	326	(20)	(12,633)	(24,698)
At 30 April 2026	173,104	4,193	1,396	10,194	188,887

The Company

	Accelerated depreciation	Others	Total
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2023	31,317	5,088	36,405
Deferred tax credited to the statement of profit or loss and other comprehensive income during the year	(4,192)	(1,233)	(5,425)
At 31 December 2023	27,125	3,855	30,980
At 1 January 2024	27,125	3,855	30,980
Deferred tax charged/(credited) to the statement of profit or loss and other comprehensive income during the year	477	(2,501)	(2,024)
At 31 December 2024	27,602	1,354	28,956
At 1 January 2025	27,602	1,354	28,956
Deferred tax charged to the statement of profit or loss and other comprehensive income during the year	41,723	23,987	65,710
At 31 December 2025	69,325	25,341	94,666
At 1 January 2026	69,325	25,341	94,666
Deferred tax credited to the statement of profit or loss and other comprehensive income during the period	(10,992)	(12,912)	(23,904)
At 30 April 2026	58,333	12,429	70,762

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 and the Company for financial reporting purposes:

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Net deferred tax assets recognised in the consolidated statement of financial position	224,341	283,273	243,298	239,922
Net deferred tax liabilities recognised in the consolidated statement of financial position	134,376	140,789	122,718	72,478

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Net deferred tax assets recognised in the statement of financial position	31,879	51,120	–	10,236
Net deferred tax liabilities recognised in the statement of financial position	30,980	28,956	3,799	–

As at 31 December 2023, 2024 and 2025 and 30 April 2026, the Group had tax losses arising in Thailand of approximately nil, RMB185,000, RMB6,559,000 and RMB6,570,000, respectively, which would expire in one to five years for offsetting against future taxable profits.

As at 31 December 2023, 2024 and 2025 and 30 April 2026, the Group had tax losses arising in Chinese mainland of approximately RMB1,304,398,000, RMB1,503,038,000, RMB1,452,617,000 and RMB1,531,408,000 respectively, which would expire in one to ten years for offsetting against future taxable profits.

Deferred tax assets have not been recognised 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 utilised.

Deferred tax assets have not been recognised in respect of the following items:

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Tax losses not recognised	416,064	478,417	167,752	113,799
Deductible temporary differences	35,961	27,124	22,956	619
Total	452,025	505,541	190,708	114,418

19. INVENTORIES

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Raw materials and consumables	429,904	467,490	745,736	1,172,500
Work in progress	356,921	434,258	602,106	786,981
Finished goods	219,665	269,406	465,570	543,296
Goods in transit*	357,520	571,293	702,203	713,789
Total	1,364,010	1,742,447	2,515,615	3,216,566

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Raw materials and consumables	42,426	41,903	67,023	85,561
Work in progress	40,995	39,906	68,765	101,657
Finished goods	31,239	25,405	46,750	58,622
Goods in transit*	115,300	222,771	270,905	249,722
Total	229,960	329,985	453,443	495,562

* The goods in transit was mainly comprises of the vendor managed inventory, the Company delivers the goods to the warehouse designated by the customer, and maintains the inventory level according to the customer's requirements. Before being picked up by the customer, the goods are still belong to the Company.

20. TRADE AND BILLS RECEIVABLES

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	3,806,039	4,381,010	4,949,254	4,702,564
Bills receivable	286,456	194,190	173,982	218,095
Impairment	(193,037)	(223,377)	(253,482)	(241,026)
Net carrying amount	3,899,458	4,351,823	4,869,754	4,679,633

The Group's trading terms with its customers are mainly on credit. The credit period is generally 30 to 120 days. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise 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 ageing analysis of the trade and bills receivables as at 31 December 2023, 2024 and 2025 and 30 April 2026 (based on the invoice date and net of loss allowance) are as follows:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	3,898,658	4,351,386	4,869,754	4,679,627
1 year to 2 years	780	417	–	6
2 years to 3 years	14	20	–	–
Over 3 years	6	–	–	–
Total	3,899,458	4,351,823	4,869,754	4,679,633

The movements in the loss allowance for impairment of trade and bills receivables are as follows:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At the beginning of the year/period	185,709	193,037	223,377	253,482
Impairment losses, net	7,561	30,340	29,962	(12,456)
Amount written off as uncollectible	(233)	–	143	–
At the end of the year/period	193,037	223,377	253,482	241,026

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:

As at 31 December 2023

	Gross carrying amount	Expected credit loss rate	Expected credit losses
	RMB'000		*RMB'000*
Provision for bad debts on individual basis	2,628	100%	2,628
Provision for bad debts by portfolio of credit risk characteristics			
Within 1 year	4,088,854	5%	190,196
1 year to 3 years	999	21%	205
Over 3 years	14	57%	8
Total	4,092,495		193,037

As at 31 December 2024

	Gross carrying amount	Expected credit loss rate	Expected credit losses
	RMB'000		*RMB'000*
Provision for bad debts on individual basis	4,149	100%	4,149
Provision for bad debts by portfolio of credit risk characteristics			
Within 1 year	4,570,497	5%	219,111
1 year to 3 years	554	21%	117
Total	4,575,200		223,377

As at 31 December 2025

	Gross carrying amount	Expected credit loss rate	Expected credit losses
	RMB'000		*RMB'000*
Provision for bad debts on individual basis	6,290	100%	6,290
Provision for bad debts by portfolio of credit risk characteristics			
Within 1 year	5,116,946	5%	247,192
Total	5,123,236		253,482

As at 30 April 2026

	Gross carrying amount	Expected credit loss rate	Expected credit losses
	RMB'000		*RMB'000*
Provision for bad debts on individual basis	6,178	100%	6,178
Provision for bad debts by portfolio of credit risk characteristics			
Within 1 year	4,914,473	5%	234,846
1 year to 3 years	8	25%	2
Total	4,920,659		241,026

Certain of the Group's bills receivable with net carrying amounts of approximately RMB171,685,000, RMB66,489,000, RMB55,100,000 and RMB82,630,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, were pledged to secure bank facilities.

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	2,533,558	3,048,800	3,274,202	2,972,891
Bills receivable	232,124	164,086	133,440	198,940
Impairment	(129,129)	(155,620)	(168,445)	(153,275)
Net carrying amount	2,636,553	3,057,266	3,239,197	3,018,556

An ageing analysis of the trade and bills receivables net of allowance as at 31 December 2023, 2024 and 2025 and 30 April 2026 (based on the invoice date and net of loss allowance) are as follows:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	2,635,759	3,057,234	3,239,197	3,018,556
1 year to 2 years	779	13	–	–
2 years to 3 years	9	19	–	–
Over 3 years	6	–	–	–
Total	2,636,553	3,057,266	3,239,197	3,018,556

The movements in the loss allowance for impairment of trade and bills receivables are as follows:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At the beginning of the year/period	120,702	129,129	155,620	168,445
Impairment losses, net	8,787	26,491	12,835	(15,170)
Amount written off as uncollectible	(360)	–	(10)	–
At the end of the year/period	129,129	155,620	168,445	153,275

The following table details the risk profile of trade and bills receivables:

As at 31 December 2023

	Gross carrying amount	Expected credit loss rate	Expected credit losses
	RMB'000		*RMB'000*
Provision for bad debts on individual basis	2,333	100%	2,333
Provision for bad debts by portfolio of credit risk characteristics			
Within 1 year	2,762,347	5%	126,588
1 year to 3 years	988	20%	200
Over 3 years	14	57%	8
Total	2,765,682		129,129

As at 31 December 2024

	Gross carrying amount	Expected credit loss rate	Expected credit losses
	RMB'000		*RMB'000*
Provision for bad debts on individual basis	3,022	100%	3,022
Provision for bad debts by portfolio of credit risk characteristics			
Within 1 year	3,209,815	5%	152,581
1 year to 3 years	49	35%	17
Total	3,212,886		155,620

As at 31 December 2025

	Gross carrying amount	Expected credit loss rate	Expected credit losses
	RMB'000		RMB'000
Provision for bad debts on individual basis	4,955	100%	4,955
Provision for bad debts by portfolio of credit risk characteristics			
Within 1 year	3,402,687	5%	163,490
Total	3,407,642		168,445

As at 30 April 2026

	Gross carrying amount	Expected credit loss rate	Expected credit losses
	RMB'000		RMB'000
Provision for bad debts on individual basis	4,862	100%	4,862
Provision for bad debts by portfolio of credit risk characteristics			
Within 1 year	3,166,969	5%	148,413
Total	3,171,831		153,275

Certain of the Company's bills receivable with net carrying amounts of RMB20,510,000, RMB1,008,000, RMB11,449,000 and RMB30,322,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, were pledged to secure bank facilities.

21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Prepayments	323,601	690,085	889,645	1,389,594
Deposits and other receivables	56,730	56,288	99,985	169,141
Value-added tax recoverable	26,844	112,030	181,410	202,317
Tax prepayments	1,101	5,245	21,481	34,780
Listing expenses	–	–	20,045	21,036
	408,276	863,648	1,212,566	1,816,868
Less: Provision for impairment of other receivables	(4,980)	(6,509)	(9,423)	(13,375)
Net carrying amount	403,296	857,139	1,203,143	1,803,493
Analysed into:				
Current portion	89,109	182,092	322,071	449,438
Non-current portion	314,187	675,047	881,072	1,354,055

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Prepayments	18,887	121,608	89,462	56,111
Deposits and other receivables	298,513	1,010,943	1,676,872	2,031,767
Value-added tax recoverable	14,921	42,113	35,564	3,554
Tax prepayments	1,021	–	21,467	28,146
Listing expenses	–	–	20,045	21,036
	333,342	1,174,664	1,843,410	2,140,614
Less: Provision for impairment of other receivables	(15,974)	(75,247)	(189,858)	(256,210)
Net carrying amount	317,368	1,099,417	1,653,552	1,884,404

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Analysed into:				
Current portion	304,108	981,989	1,567,103	1,834,394
Non-current portion	13,260	117,428	86,449	50,010

An impairment analysis was performed as at 31 December 2023, 2024 and 2025 and 30 April 2026. The Group has applied the general approach to provide for expected credit losses for non-trade other receivables under IFRS 9. The Group has assessed that the credit risk of these receivables has not increased significantly since initial recognition. At the end of each of the Relevant Periods, these receivables were categorised in stage 1 and 12-month expected losses are calculated.

22. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current				
Wealth management products*	250,000	312,000	–	–
Listed equity investments, at fair value	–	–	182,180	82,624
	250,000	312,000	182,180	82,624
Non-current				
Equity investments classified as at fair value through profit or loss				
– Unlisted equity investments	7,000	37,000	40,000	40,000
	257,000	349,000	222,180	122,624

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current				
Wealth management products*	250,000	270,000	–	–
Listed equity investments, at fair value	–	–	182,180	82,624
	250,000	270,000	182,180	82,624

* The above financial assets were wealth management products issued by banks in 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. DEBT INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Bills receivable, at fair value	836,418	680,431	982,266	978,713

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Bills receivable, at fair value	165,315	231,977	305,665	297,002

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.

Certain of the Group's debt investments at fair value through other comprehensive income with net carrying amounts of approximately RMB656,085,000, RMB444,223,000 and RMB719,875,000 and RMB750,387,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, were pledged to secure bank facilities.

Certain of the Company's debt investments at fair value through other comprehensive income with net carrying amounts of approximately RMB12,604,000, RMB39,496,000 and RMB81,456,000 and RMB107,806,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, were pledged to secure bank facilities.

24. CASH AND CASH EQUIVALENTS, PLEDGED AND RESTRICTED DEPOSITS

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and bank balances	2,287,807	2,183,671	2,693,336	3,537,451
Less: Pledged and restricted deposits	(319,409)	(345,239)	(527,137)	(626,529)
Time deposits with original maturity of over three months	–	–	(225,000)	–
Cash and cash equivalents	1,968,398	1,838,432	1,941,199	2,910,922
Denominated in RMB	1,536,525	946,432	643,073	1,520,524
Denominated in USD	393,168	813,362	1,268,106	1,322,535
Denominated in other currencies	38,705	78,638	30,020	67,863
Cash and cash equivalents	1,968,398	1,838,432	1,941,199	2,910,922

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and bank balances	1,199,781	889,682	610,728	1,100,608
Less: Pledged and restricted deposits	(53,621)	(46,052)	(46,976)	(78,172)
Time deposits with original maturity of over three months	–	–	(225,000)	–
Cash and cash equivalents	1,146,160	843,630	338,752	1,022,436
Denominated in RMB	811,154	268,406	146,256	757,098
Denominated in USD	328,429	575,221	182,622	261,077
Denominated in other currencies	6,577	3	9,874	4,261
Cash and cash equivalents	1,146,160	843,630	338,752	1,022,436

The RMB is not freely convertible into other currencies, however, under 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 authorised to conduct foreign exchange business.

Certain deposits are pledged for the issuance of bankers' acceptances.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank and 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. ACCOUNTS AND BILLS PAYABLES

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	2,091,325	2,625,783	3,146,360	3,402,271
Bills payable	1,177,130	1,264,322	1,827,931	1,952,351
Payables for construction costs and equipment	617,615	962,757	1,747,300	1,616,475
Total	3,886,070	4,852,862	6,721,591	6,971,097

An ageing analysis of the accounts and bills payables as at 31 December 2023, 2024 and 2025 and 30 April 2026 was as follows:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	3,757,536	4,762,461	6,607,111	6,858,234
1 year to 2 years	113,359	40,072	84,685	79,443
2 years to 3 years	11,594	38,686	13,609	16,946
Over 3 years	3,581	11,643	16,186	16,474
Total	3,886,070	4,852,862	6,721,591	6,971,097

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	3,953,899	5,116,391	4,401,275	3,602,180
Bills payable	140,265	114,393	483,266	368,955
Payables for construction costs and equipment	65,558	137,006	155,374	143,421
Total	4,159,722	5,367,790	5,039,915	4,114,556

An ageing analysis of the accounts and bills payables as at 31 December 2023, 2024 and 2025 and 30 April 2026 was as follows:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within 1 year	4,158,429	5,364,641	5,028,447	4,110,072
1 year to 2 years	362	2,346	10,452	3,105
2 years to 3 years	335	168	531	452
Over 3 years	596	635	485	927
Total	4,159,722	5,367,790	5,039,915	4,114,556

Accounts payables are non-interest-bearing and are normally settled on terms of 90 to 120 days.

As at 31 December 2023, 2024 and 2025 and 30 April 2026, the carrying amounts of accounts and bills payables approximated to their fair values.

26. OTHER PAYABLES AND ACCRUALS

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Restricted share repurchase obligations	–	112,037	85,089	85,089
Deposits payable	36,542	20,531	22,688	4,736
Accruals and other payables	61,722	100,695	99,287	60,494
Payroll and welfare payable	242,180	276,871	318,279	238,154
Other tax payables	103,812	54,006	48,815	51,152
Endorsed bank bills	26,944	96,905	78,424	89,529
Payables for equity acquisition	47,500	–	–	–
Dividend	–	–	6,945	548,570
Total	518,700	661,045	659,527	1,077,724

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Restricted share repurchase obligations	–	112,037	85,089	85,089
Deposits payable	6,338	7,028	7,017	1,817
Accruals and other payables	12,711	44,072	103,896	40,031
Payroll and welfare payable	77,860	48,605	53,438	35,133
Other tax payables	5,625	4,938	4,304	5,115
Endorsed bank bills	22,580	134,564	90,187	123,858
Payables for equity acquisition	47,500	–	–	–
Dividend	–	–	6,945	548,570
Total	172,614	351,244	350,876	839,613

Other payables are unsecured and repayable on demand.

27. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Forward currency contracts	838	–	–	–

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Forward currency contracts	583	–	–	–

28. CONTRACT LIABILITIES

The Group recognised the following revenue-related contract liabilities:

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Advances from customers	7,997	5,795	11,970	30,408

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Advances from customers	1,573	1,483	4,792	12,372

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 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Government grants and subsidies	228,457	325,539	403,448	400,801

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Government grants and subsidies	37,940	48,072	66,752	64,198

30. INTEREST-BEARING BANK AND OTHER BORROWINGS

The Group

	Effective interest rate	Maturity	As at 31 December 2023
			RMB'000
Current			
Current portion of long-term bank loans – unsecured	3.70%-3.85%	2024	316,345
Other loans – secured	1.63%-1.68%	2024	3,361
Total – current			319,706
Non-current			
Long-term bank loans – secured	3.80%-4.50%	2027-2028	227,853
Long-term bank loans – unsecured	3.00%-3.85%	2025	189,064
Total – non-current			416,917
Total			736,623

	Effective interest rate	Maturity	As at 31 December 2024
			RMB'000
Current			
Bank loans – secured	2.60%-2.88%	2025	86,000
Bank loans – unsecured	2.88%	2025	30,099
Current portion of long-term bank loans – secured	3.80%-4.50%	2025	56,334
Current portion of long-term bank loans – unsecured	2.70%-3.80%	2025	191,609
Other loans – secured	0.80%-4.00%	2025	9,229
Total – current			373,271
Non-current			
Long-term bank loans – secured	3.50%-4.50%	2027-2034	212,863
Long-term bank loans – unsecured	2.80%-3.10%	2026-2027	71,200
Total – non-current			284,063
Total			657,334

	Effective interest rate	Maturity	As at 31 December 2025
			RMB'000
Current			
Bank loans – unsecured	2.20%-2.55%	2026	153,107
Current portion of long-term bank loans – secured	3.40%-4.50%	2026	71,586
Current portion of long-term bank loans – unsecured	2.40%-3.40%	2026	141,631
Other loans – secured	0.70%-4.00%	2026	225,694
Total – current			592,018
Non-current			
Long-term bank loans – secured	3.30%-4.50%	2027-2034	1,003,018
Long-term bank loans – unsecured	2.40%-3.40%	2027-2030	860,925
Total – non-current			1,863,943
Total			2,455,961

	Effective interest rate	Maturity	As at 30 April 2026
			RMB'000
Current			
Bank loans – unsecured	2.20%-2.22%	2026-2027	322,034
Current portion of long-term bank loans – secured	3.10%-3.50%	2026-2027	82,568
Current portion of long-term bank loans – unsecured	2.29%-3.40%	2026-2027	261,764
Other loans – secured	1.03%-1.28%	2026	8,643
Total – current			675,009
Non-current			
Long-term bank loans – secured	2.95%-3.50%	2027-2034	2,081,585
Long-term bank loans – unsecured	2.29%-3.40%	2027-2030	2,042,251
Total – non-current			4,123,836
Total			4,798,845

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Analysed into:				
Bank loans repayable:				
Within one year or on demand	316,345	364,042	366,324	666,366
In the second year	279,310	106,406	439,630	483,011
In the third year	68,804	108,969	616,453	1,963,801

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
In the fourth to fifth years, inclusive	68,803	20,659	342,832	842,266
Beyond five years	–	48,029	465,028	834,758
Total	733,262	648,105	2,230,267	4,790,202
Analysed into:				
Other loans repayable:				
Within one year or on demand	3,361	9,229	225,694	8,643
Total	3,361	9,229	225,694	8,643

Certain of the Group's bank loans and other loans are secured by:

(a) The Group's mortgaged buildings and construction in progress with net carrying amounts of RMB683,885,000, RMB1,081,051,000, RMB1,256,323,000 and RMB1,251,459,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026 (note 13), respectively; and

(b) The Group's mortgaged land use rights with net carrying amounts of RMB47,754,000, RMB88,923,000, RMB86,601,000 and RMB104,505,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026 (note 14), respectively.

The Company

	Effective interest rate	Maturity	As at 31 December 2023
			RMB'000
Current			
Current portion of long-term bank loans – unsecured	3.70%-3.85%	2024	81,607
Total – current			81,607
Non-current			
Long-term bank loans – unsecured	3.00%-3.85%	2025	98,064
Total – non-current			98,064
Total			179,671

	Effective interest rate	Maturity	As at 31 December 2024
			RMB'000
Current			
Bank loans – unsecured	2.88%	2025	30,026
Current portion of long-term bank loans – unsecured	2.70%-3.60%	2025	100,533
Other loans – secured	0.80%-4.00%	2025	9,229
Total – current			139,788
Non-current			
Long-term bank loans – secured	3.50%	2034	19,174
Long-term bank loans – unsecured	2.80%-3.10%	2026-2027	71,200
Total – non-current			90,374
Total			230,162

	Effective interest rate	Maturity	As at 31 December 2025
			RMB'000
Current			
Bank loans – unsecured	2.20%	2026	90,061
Current portion of long-term bank loans – unsecured	2.40%-3.40%	2026	127,521
Other loans – secured	0.70%-4.00%	2026	694
Total – current			218,276

	Effective interest rate	Maturity	As at 31 December 2025
			RMB'000
Non-current			
Long-term bank loans – secured	3.40%-3.50%	2027-2034	261,593
Long-term bank loans – unsecured	2.40%-3.40%	2027-2028	489,800
Total – non-current			751,393
Total			969,669

	Effective interest rate	Maturity	As at 30 April 2026
			RMB'000
Current			
Bank loans – unsecured	2.20%-2.22%	2026-2027	155,095
Current portion of Long-term bank loans – secured	3.40%-3.50%	2026	1,382
Current portion of long-term bank loans – unsecured	2.29%-3.40%	2026-2027	182,529
Other loans – secured	1.03%-1.28%	2026	8,643
Total – current			347,649
Non-current			
Long-term bank loans – secured	2.95%-3.50%	2027-2034	386,153
Long-term bank loans – unsecured	2.29%-3.40%	2027-2030	936,180
Total – non-current			1,322,333
Total			1,669,982

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Analysed into:				
Bank loans repayable:				
Within one year or on demand	81,607	130,559	217,582	339,006
In the second year	98,064	36,200	223,520	262,988
In the third year	–	35,959	298,979	721,461
In the fourth to fifth years, inclusive	–	3,835	71,938	106,192
Beyond five years	–	14,380	156,956	231,692
Total	179,671	220,933	968,975	1,661,339
Analysed into:				
Other loans repayable:				
Within one year or on demand	–	9,229	694	8,643
Total	–	9,229	694	8,643

Certain of the Company's bank loans are secured by:

(a) The Company's mortgaged land use rights with net carrying amounts of nil, RMB23,615,000, RMB22,767,000 and RMB22,492,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively.

31. CONVERTIBLE BONDS

Convertible Bonds 2020

In August 2020, the Group issued 178,000,000 convertible bonds of RMB1,780,000,000 (the "Convertible Bonds 2020") with interest-bearing 0.40% in the first year, 0.60% in the second year, 1.00% in the third year, 1.50% in the fourth year, 1.80% in the fifth year and 2.00% in the sixth year. The bonds mature six years from the issue date at their par value or can be converted into shares at the holder's option. The initial equity component of the convertible was RMB310,321,000, and the initial liability component of the convertible was RMB1,449,909,000.

The conversion period begins on the first trading day after the expiry of six months from the issuance completion date (28 August 2020), namely 1 March 2021, and ends on the maturity date of the convertible bonds (23 August 2026).

Under the redemption provisions, the Company is to redeem all unexercised convertible bonds within five trading days after the maturity of the convertible bonds issued under this offering. During the conversion period, the Company has the right to redeem, in whole or in part, any unexercised convertible bonds at their face value plus accrued interest if either of the following conditions is met: (i) the closing price of the Company's shares on at least fifteen trading days out of any consecutive thirty trading days equals or exceeds 130% of the then-current conversion price; or (ii) the unexercised balance of the convertible bonds falls below RMB 30 million.

Convertible Bonds 2023

In April 2023, the Group issued 115,400,000 convertible bonds of RMB1,154,000,000 (the "Convertible Bonds 2023") with interest-bearing 0.30% in the first year, 0.50% in the second year, 1.00% in the third year, 1.50% in the fourth year, 1.80% in the fifth year and 2.00% in the sixth year. The bonds mature six years from the issue date at their par value or can be converted into shares at the holder's option. The initial equity component of the convertible was RMB177,734,000, and the initial liability component of the convertible was RMB961,881,000.

The conversion period begins on the first trading day after the expiry of six months from the issuance completion date (11 April 2023), namely 11 October 2023, and ends on the maturity date of the convertible bonds (3 April 2029).

Under the redemption provisions, the Company is to redeem all unexercised convertible bonds within five trading days after the maturity of the convertible bonds issued under this offering. During the conversion period, the Company has the right to redeem, in whole or in part, any unexercised convertible bonds at their face value plus accrued interest if either of the following conditions is met: (i) the closing price of the Company's shares on at least fifteen trading days out of any consecutive thirty trading days equals or exceeds 130% of the then-current conversion price; or (ii) the unexercised balance of the convertible bonds falls below RMB 30 million.

The fair value of the liability component was estimated at the issuance date using an equivalent market interest rate for a similar bond without a conversion option. The residual amount is assigned as the equity component and is included in shareholders' equity.

The convertible bonds issued have been split into the liability and equity components, the movements of the liability component of the convertible bonds during the Relevant Periods are as follows:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At beginning of year/period:	1,600,860	2,652,335	1,032,172	–
Liability component of the convertible bonds issued	961,881	–	–	–
Interest expense	107,437	85,138	30,193	–
Interest paid	(17,798)	(3,539)	(5,748)	–
Conversion of convertible bonds	(45)	(1,699,229)	(1,055,728)	–
Redemption	–	(2,533)	(889)	–
At end of year/period:	2,652,335	1,032,172	–	–
Analysed into:				
Current portion	11,974	4,283	–	–
Non-current portion	2,640,361	1,027,889	–	–

32. SHARE CAPITAL AND TREASURY SHARES

Share capital

The Group and the Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Issued and fully paid:				
Ordinary shares of RMB1.00 each	841,874	932,532	984,812	984,857

A summary of movements in the Company's share capital is as follows:

	Number of shares in issue	Share capital
	'000	*RMB'000*
At 1 January 2023	847,250	847,250
Conversion of convertible bonds	2	2
Deregistration of forfeited restricted shares	(5,378)	(5,378)
At 31 December 2023	841,874	841,874

	Number of shares in issue	Share capital
	'000	RMB'000
At 1 January 2024	841,874	841,874
Conversion of convertible bonds	78,727	78,727
Issue of restricted shares	12,024	12,024
Deregistration of forfeited restricted shares *(a)*	(93)	(93)
At 31 December 2024	932,532	932,532
At 1 January 2025	932,532	932,532
Conversion of convertible bonds	48,195	48,195
Issue of restricted shares	2,130	2,130
Deregistration of forfeited restricted shares *(a)*	(457)	(457)
Issue of shares upon exercise of share options	2,412	2,412
At 31 December 2025	984,812	984,812
At 1 January 2026	984,812	984,812
Issue of shares upon exercise of share options	45	45
At 30 April 2026	984,857	984,857

Treasury shares

The Group and the Company

	Treasury share
	RMB'000
At 1 January 2023	81,635
Deregistration of forfeited restricted shares	(78,946)
Adjustment of cash dividends to restricted shares	(2,689)
At 31 December 2023	–
At 1 January 2024	–
Issue of restricted shares	112,906
Deregistration of forfeited restricted shares *(a)*	(869)
At 31 December 2024	112,037
At 1 January 2025	112,037
Issue of restricted shares	19,999
Deregistration of forfeited restricted shares *(a)*	(4,290)
Vesting of restricted shares	(42,657)
At 31 December 2025 and 30 April 2026	85,089

(a) Pursuant to the approval and authorization by the shareholders' meeting of the Company on 20 May 2024, the Company repurchased and cancelled 93,000 forfeited restricted shares during the year ended 31 December 2024 and 457,000 forfeited restricted shares during the year ended 31 December 2025, which were forfeited and did not vest.

33. SHARE-BASED PAYMENTS

2019 Restricted share incentive scheme

In December 2019, 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. 6,362,800 restricted shares of the Company were granted to 166 staff at the initial subscription price of RMB22.05 per share under the scheme. According to the Group's performance appraisal and individual performance appraisal for the four years ended 31 December 2020, 2021, 2022 and 2023, 20%, 20%, 30% and 30% of restricted share incentive scheme will be unlocked respectively.

In November 2020, addition 2,067,800 restricted shares of the Company were granted to 62 staff at the initial subscription price of RMB16.66 per share under the restricted share incentive scheme. According to the Group's performance appraisal and individual performance appraisal for the three years ended 31 December 2021, 2022 and 2023, 30%, 30% and 40% of restricted share incentive scheme will be unlocked respectively.

2024 Share options and restricted share units incentive plan

(a) 2024 restricted share units incentive plan

In June 2024, the Company implemented a restricted share units incentive plan which are subject to restrictions on transfer, termination and such other limitations set forth in the plan. 12,024,100 restricted shares of the Company were granted to 414 staff at the initial subscription price of RMB9.39 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 three years ended 31 December 2024, 2025 and 2026, 40%, 30% and 30% of restricted share incentive scheme will be unlocked respectively.

In March 2025, the Company implemented a restricted share units incentive plan which are subject to restrictions on transfer, termination and such other limitations set forth in the plan. 2,129,800 restricted shares of the Company were granted to 104 staff at the initial subscription price of RMB9.39 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 31 December 2025 and 2026, 50% and 50% of restricted share incentive scheme will be unlocked respectively.

(b) Share option incentive plan

In June 2024, the Company implemented a share option incentive plan, 6,677,900 share option were granted to 467 staff with an exercise price of RMB15.32. According to the Group's performance appraisal, the Company or the subsidiaries performance appraisal and individual performance appraisal for the three years ended 31 December 2024, 2025 and 2026, 40%, 30% and 30% of share option could be exercise within the following years respectively.

In March 2025, the Company implemented a share option incentive plan, 785,700 share option were granted to 90 staff with an exercise price of RMB15.32. According to the Group's performance appraisal, the Company or the subsidiaries performance appraisal and individual performance appraisal for the two years ended 31 December 2025 and 2026, 50% and 50% of share option could be exercise within the following years respectively.

Movements in the number of restricted shares during the Relevant Periods and the four months ended 30 April 2025 are as follows:

	Year ended 31 December			As at 30 April	
	2023	2024	2025	2025	2026
	'000	*'000*	*'000*	*'000*	*'000*
At beginning of the year/period	5,378	–	11,931	11,931	9,061
Granted	–	12,024	2,130	–	–
Forfeited	(2,695)	(93)	(457)	(114)	–
Cancelled	(2,683)	–	–	–	–
Exercised	–	–	(4,543)	–	–
At end of the year/period	–	11,931	9,061	11,817	9,061

Movements in the number of share option during the Relevant Periods and the four months ended 30 April 2025 are as follows:

	Year ended 31 December				Four months ended 30 April			
	2024		2025		2025		2026	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
	RMB	*'000*	*RMB*	*'000*	*RMB (Unaudited)*	*'000 (Unaudited)*	*RMB*	*'000*
At beginning of the year/period	–	–	15.32	6,564	15.32	6,564	14.52	4,588
Granted	15.32	6,678	15.32	786	–	–	–	–
Forfeited	–	(114)	–	(350)	15.32	(97)	–	–
Exercised	–	–	14.52	(2,412)	–	–	14.52	(45)
At end of the year/period	15.32	6,564	14.52	4,588	15.32	6,467	14.52	4,543

The exercise price and exercise period of the share options outstanding as at the end of the reporting period are as follows:

31 December 2024

Number of options	Exercise price*	Exercise period
'000	*RMB*	
6,564	15.32	2025-2028

31 December 2025

Number of options	Exercise price*	Exercise period
'000	*RMB*	
4,588	14.52	2026-2028

30 April 2025 (Unaudited)

Number of options	Exercise price*	Exercise period
'000	RMB	
6,467	15.32	2025-2028

30 April 2026

Number of options	Exercise price*	Exercise period
'000	RMB	
4,543	14.52	2026-2028

* The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

Share-based payment expenses during the Relevant Periods and the four months ended 30 April 2025 are as follows:

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Restricted shares granted by the Company under the plans	11,897	63,007	98,900	37,655	25,120
Share options granted under the plan	–	24,084	35,144	15,322	8,170
Total	11,897	87,091	134,044	52,977	33,290

The fair value of equity-settled share options granted during the Relevant Periods and the four months ended 30 April 2025, 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:

	Share option incentive plan granted in June 2024	Share option incentive plan granted in March 2025
Expected volatility	13.22%, 13.26%, 14.49%	18.65%, 16.18%
Historical volatility	13.22%, 13.26%, 14.49%	18.65%, 16.18%
Risk-free interest rate	1.50%, 2.10%, 2.75%	1.50%, 2.10%
Share price at grant date per share (RMB)	25.53	33.81

No other feature of the options granted was incorporated into the measurement of fair value.

34. 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) Exchange fluctuation reserve

Exchange fluctuation 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 fund 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	Statutory surplus reserve	Retained profits	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023	1,766,877	29,381	277,545	739,032	2,812,835
Profit for the year	–	–	–	360,788	360,788
Dividend declared *(note 11)*	–	–	–	(423,625)	(423,625)
Conversion of convertible bonds	50	–	–	–	50
Deregistration of forfeited restricted shares	(73,568)	–	–	–	(73,568)
Share-based payments	–	11,897	–	–	11,897
Transferred from retained profits	–	–	36,079	(36,079)	–
At 31 December 2023 and 1 January 2024	1,693,359	41,278	313,624	640,116	2,688,377
Profit for the year	–	–	–	642,515	642,515
Dividend declared *(note 11)*	–	–	–	(420,937)	(420,937)
Conversion of convertible bonds	1,930,860	–	–	–	1,930,860
Issue of restricted shares	100,882	–	–	–	100,882
Deregistration of forfeited restricted shares	(776)	–	–	–	(776)
Share-based payments	–	87,091	–	–	87,091
Transferred from retained profits	–	–	64,251	(64,251)	–
At 31 December 2024 and 1 January 2025	3,724,325	128,369	377,875	797,443	5,028,012
Profit for the year	–	–	–	1,178,583	1,178,583
Dividend declared *(note 11)*	–	–	–	(747,383)	(747,383)
Conversion of convertible bonds	1,185,200	–	–	–	1,185,200
Issue of restricted shares	17,869	–	–	–	17,869
Deregistration of forfeited restricted shares	(3,833)	–	–	–	(3,833)
Issue of shares upon exercise of share options	57,801	(25,181)	–	–	32,620
Vesting of restricted share	73,321	(73,321)	–	–	–
Share-based payments	–	134,044	–	–	134,044
Transferred from retained profits	–	–	117,858	(117,858)	–
At 31 December 2025 and 1 January 2026	5,054,683	163,911	495,733	1,110,785	6,825,112
Profit for the period	–	–	–	848,868	848,868
Dividend declared *(note 11)*	–	–	–	(541,625)	(541,625)
Issue of shares upon exercise of share options	1,436	(834)	–	–	602
Share-based payments	–	33,290	–	–	33,290
Deferred tax on share-based payments	–	11,146	–	–	11,146
At 30 April 2026	5,056,119	207,513	495,733	1,418,028	7,177,393

35. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the years ended 31 December 2023, 2024 and 2025 and the four months ended 30 April 2026, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB13,038,000, RMB9,661,000, RMB35,627,000 and RMB4,945,000 respectively, in respect of lease arrangements for properties.

(b) Changes in liabilities arising from financing activities

	Interest-bearing bank and other borrowings	Lease liabilities	Convertible bonds	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023	770,622	32,640	1,600,860	2,404,122
Changes from financing cash flows	(47,096)	(20,067)	1,121,817	1,054,654
New leases	–	13,038	–	13,038
Equity component of convertible bonds	–	–	(177,734)	(177,734)
Conversion of convertible bonds	–	–	(45)	(45)
Non-cash settlement of other borrowings	(25,626)	–	–	(25,626)
Interest expense *(note 7)*	38,723	926	107,437	147,086
At 31 December 2023	736,623	26,537	2,652,335	3,415,495
At 1 January 2024	736,623	26,537	2,652,335	3,415,495
Changes from financing cash flows	(101,390)	(22,461)	(6,072)	(129,923)
New leases	–	9,661	–	9,661
Conversion of convertible bonds	–	–	(1,699,229)	(1,699,229)
Non-cash settlement of other borrowings	(5,996)	–	–	(5,996)
Interest expense *(note 7)*	28,097	849	85,138	114,084
At 31 December 2024	657,334	14,586	1,032,172	1,704,092
At 1 January 2025	657,334	14,586	1,032,172	1,704,092
Changes from financing cash flows	1,770,481	(22,210)	(6,637)	1,741,634
New leases	–	35,627	–	35,627
Conversion of convertible bonds	–	–	(1,055,728)	(1,055,728)
Non-cash settlement of other borrowings	(18,512)	–	–	(18,512)
Interest expense *(note 7)*	46,658	656	30,193	77,507
At 31 December 2025	2,455,961	28,659	–	2,484,620
At 1 January 2025	657,334	14,586	1,032,172	1,704,092
Changes from financing cash flows	590,475	(5,119)	(5,718)	579,638
Conversion of convertible bonds	–	–	(8,948)	(8,948)
Non-cash settlement of other borrowings	(974)	–	–	(974)
Interest expense *(note 7)*	12,078	116	14,341	26,535
At 30 April 2025 (Unaudited)	1,258,913	9,583	1,031,847	2,300,343
At 1 January 2026	2,455,961	28,659	–	2,484,620
Changes from financing cash flows	2,319,395	(8,143)	–	2,311,252
New leases	–	4,945	–	4,945
Non-cash settlement of other borrowings	(8,288)	–	–	(8,288)
Interest expense *(note 7)*	31,777	306	–	32,083
At 30 April 2026	4,798,845	25,767	–	4,824,612

(c) Total cash outflow for leases

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* *(Unaudited)*	*RMB'000*
Within operating activities	3,659	3,956	9,653	2,676	3,087
Within financing activities	20,067	22,461	22,210	5,119	8,143
Total	23,726	26,417	31,863	7,795	11,230

36. PLEDGE OF ASSETS

Details of the Group's assets pledged at the end of each of the Reporting Periods are included in notes 13, 14, 20, 23 and 24 to the Historical Financial Information.

37. COMMITMENTS

The Group had the following contractual commitments at 31 December 2023, 2024 and 2025 and 30 April 2026:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Property, plant and equipment	1,343,355	1,612,166	2,683,298	3,327,847

38. RELATED PARTY TRANSACTIONS

(a) Names and relationships

Name of related parties	Relationship with the Group
Longchuan Tengtian Department Store Co., Ltd.	A company under significant influence by Mr. Liu Shaobai, a non-executive director of the Company
Suzhou Innovation Ceramic Technology Co., Ltd.	An associate of the company
Luxshare Precision Industry Co., Ltd.	A significant non-controlling shareholder of a subsidiary of the Company
Xunmu Information Technology (Shanghai) Co., Ltd.	Controlled by the ultimate holding company of a significant non-controlling shareholder of a subsidiary of the Company
ICT-LANTO LIMITED	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Asap Technology (Jiangxi) Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Dongguan Xuntao electronic Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Merry Electronics (Suzhou) Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Jiangxi Asap Electronics Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Luxshare Precision Limited	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Lanto Electronic Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Lixin Precision Intelligent Manufacturing (Kunshan) Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Luxshare Electronic Technology (Kunshan) Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Luxshare Precision Industry (Kunshan) Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Xuancheng Luxshare Precision Industry Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
XuanDe Technology Co., Ltd	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Luxshare Precision Industry (Enshi) Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Da Chuang Precision Intelligent Manufacturing (Kunshan) Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
ShenZhen Luxshare Acoustics Technology Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Luxshare Precision Technology (Nanjing) Co., Ltd	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Luxshare Precision Industry (Chuzhou) Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Suzhou Luxshare Technology Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Luxshare Intelligent Manufacturing Electronic Services (Kunshan) Co., LTD.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Speedtech Intelligence Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Huzhou Luxshare Precision Industry Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Luxshare ITech (Zhejiang) Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Dongguan Huarong Communication Technology Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company

Name of related parties	Relationship with the Group
Lisheng Intelligent Technology (Chengdu) Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Luxshare New Energy (Anhui) Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company

(b) The Group had the following transactions with related parties during the Relevant Periods and the four months ended 30 April 2025:

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Purchases of goods and services *(note i)*	3,113	2,675	9,204	2,542	9,916
Sales of goods *(note ii)*	50,828	91,932	82,541	27,611	38,391

(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.

(ii) The sales to the related parties were made according to the published prices and conditions offered to the major customers of the Group.

(c) Outstanding balances with related parties as at 31 December 2023, 2024 and 2025 and 30 April 2026:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills receivables	20,849	29,820	31,037	45,272
Prepayments, deposits and other receivables	–	283	233	78
Debt investments at fair value through other comprehensive income	2,217	151	1,515	715
Accounts and bills payables	165	68	4,426	8,677
Other payables and accruals	234	38	5	5
Contract liabilities	1,799	–	–	–

As at 31 December 2023, 2024 and 2025 and 30 April 2026, all the outstanding balances with related parties were trade in nature.

(d) Compensation of key management personnel of the Group:

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (Unaudited)*	*RMB'000*
Short term employee benefits	16,438	17,173	19,226	5,882	5,682
Share-based payment expenses	–	2,416	3,927	1,442	700
Total	16,438	19,589	23,153	7,324	6,382

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 the categories of financial instruments at 31 December 2023, 2024 and 2025 and 30 April 2026 were as follows:

As at 31 December 2023

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and cash equivalents	–	–	1,968,398	1,968,398
Pledged and restricted deposits	–	–	319,409	319,409
Financial assets at fair value through profit or loss	257,000	–	–	257,000
Trade and bills receivables	–	–	3,899,458	3,899,458
Financial assets included in prepayments, deposits and other receivables	–	–	18,210	18,210
Debt investments at fair value through other comprehensive income	–	836,418	–	836,418
Equity investments designated at fair value through other comprehensive income	–	6,000	–	6,000
Total	257,000	842,418	6,205,475	7,304,893

Financial liabilities

	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*
Accounts and bills payables	–	3,886,070	3,886,070
Financial liabilities at fair value through profit or loss	838	–	838
Financial liabilities included in other payables and accruals	–	157,802	157,802
Lease liabilities	–	26,537	26,537
Interest-bearing bank and other borrowings	–	736,623	736,623
Convertible bonds	–	2,652,335	2,652,335
Total	838	7,459,367	7,460,205

As at 31 December 2024

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and cash equivalents	–	–	1,838,432	1,838,432
Pledged and restricted deposits	–	–	345,239	345,239
Financial assets at fair value through profit or loss	349,000	–	–	349,000
Trade and bills receivables	–	–	4,351,823	4,351,823
Financial assets included in prepayments, deposits and other receivables	–	–	13,651	13,651
Debt investments at fair value through other comprehensive income	–	680,431	–	680,431
Equity investments designated at fair value through other comprehensive income	–	6,000	–	6,000
Total	349,000	686,431	6,549,145	7,584,576

Financial liabilities

	Financial liabilities at amortised cost
	RMB'000
Accounts and bills payables	4,852,862
Financial liabilities included in other payables and accruals	315,698
Lease liabilities	14,586
Interest-bearing bank and other borrowings	657,334
Convertible bonds	1,032,172
Total	6,872,652

As at 31 December 2025

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and cash equivalents	–	–	1,941,199	1,941,199
Time deposits with original maturity of over three months	–	–	225,000	225,000
Pledged and restricted deposits	–	–	527,137	527,137
Financial assets at fair value through profit or loss	222,180	–	–	222,180
Trade and bills receivables	–	–	4,869,754	4,869,754
Financial assets included in prepayments, deposits and other receivables	–	–	19,934	19,934
Debt investments at fair value through other comprehensive income	–	982,266	–	982,266
Total	222,180	982,266	7,583,024	8,787,470

Financial liabilities

	Financial liabilities at amortised cost
	RMB'000
Accounts and bills payables	6,721,591
Financial liabilities included in other payables and accruals	269,019
Lease liabilities	28,659
Interest-bearing bank and other borrowings	2,455,961
Total	9,475,230

As at 30 April 2026

Financial assets

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash and cash equivalents	–	–	2,910,922	2,910,922
Pledged and restricted deposits	–	–	626,529	626,529
Financial assets at fair value through profit or loss	122,624	–	–	122,624
Trade and bills receivables	–	–	4,679,633	4,679,633
Financial assets included in prepayments, deposits and other receivables	–	–	22,074	22,074
Debt investments at fair value through other comprehensive income	–	978,713	–	978,713
Total	122,624	978,713	8,239,158	9,340,495

Financial liabilities

	Financial liabilities at amortised cost
	RMB'000
Accounts and bills payables	6,971,097
Financial liabilities included in other payables and accruals	777,441
Lease liabilities	25,767
Interest-bearing bank and other borrowings	4,798,845
Total	12,573,150

Transfers of financial assets

Transferred financial assets that are not derecognised in their entirety

At 31 December 2023, 2024 and 2025 and 30 April 2026, the Group endorsed certain bills receivable in Chinese mainland (the "Endorsed Bills") with carrying amounts of RMB44,252,000, RMB96,905,000, RMB78,424,000 and RMB89,529,000, 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 recognise 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 derecognised in their entirety

At 31 December 2023, 2024 and 2025 and 30 April 2026, the Group endorsed certain bills receivable accepted by banks in Chinese mainland (the "Derecognised Bills") to certain of its suppliers in order to settle the trade payables due to such suppliers with carrying amounts in aggregate of RMB151,272,000, RMB783,716,000, RMB1,016,489,000 and RMB613,975,000. At 31 December 2023, 2024 and 2025 and 30 April 2026, the Group discounted certain bills receivable accepted by banks in Chinese mainland (the "Derecognised Bills") to certain reputable banks with a carrying amount in aggregate of RMB35,881,000, RMB14,171,000, RMB48,460,000 and RMB12,053,000. The Derecognised Bills maturity of one to six months at the end of the reporting period. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Bills may exercise the right of recourse against any, several or all of the persons liable for the Derecognised 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 Derecognised 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 Derecognised Bills. Accordingly, it has derecognised the full carrying amounts of the Derecognised Bills and the associated trade payables. The maximum exposure to loss from the Group's Continuing Involvement in the Derecognised Bills and the undiscounted cash flows to repurchase these Derecognised Bills is equal to their carrying amounts. In the opinion of the directors, the fair values of the Group's Continuing Involvement in the Derecognised Bills are not significant.

During the years ended 31 December 2023, 2024 and 2025 and the four months ended 30 April 2025 and 2026, the Group has recognised a loss on the date of transfer of the Derecognised Bills of approximately RMB350,000, RMB1,000, RMB1,000, RMB1,000 and RMB nil respectively. No gains or losses were recognised 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), accounts 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 analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the 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 31 December 2023

	Carrying amounts	Fair values
	RMB'000	RMB'000
Financial assets		
Equity investments at fair value through other comprehensive income		
– Unlisted equity investments	6,000	6,000
Financial assets at fair value through profit or loss	257,000	257,000
Debt investments at fair value through other comprehensive income	836,418	836,418
Total	1,099,418	1,099,418

	Carrying amounts	Fair values
	RMB'000	*RMB'000*
Financial liabilities		
Financial liabilities at fair value through profit or loss	838	838
Interest-bearing bank and other borrowings	736,623	727,317
Total	737,461	728,155

As at 31 December 2024

	Carrying amounts	Fair values
	RMB'000	*RMB'000*
Financial assets		
Equity investments at fair value through other comprehensive income		
– Unlisted equity investments	6,000	6,000
Financial assets at fair value through profit or loss	349,000	349,000
Debt investments at fair value through other comprehensive income	680,431	680,431
Total	1,035,431	1,035,431
Financial liabilities		
Interest-bearing bank and other borrowings	657,334	634,622

As at 31 December 2025

	Carrying amounts	Fair values
	RMB'000	*RMB'000*
Financial assets		
Financial assets at fair value through profit or loss	222,180	222,180
Debt investments at fair value through other comprehensive income	982,266	982,266
Total	1,204,446	1,204,446
Financial liabilities		
Interest-bearing bank and other borrowings	2,455,961	2,409,975

As at 30 April 2026

	Carrying amounts	Fair values
	RMB'000	*RMB'000*
Financial assets		
Financial assets at fair value through profit or loss	122,624	122,624
Debt investments at fair value through other comprehensive income	978,713	978,713
Total	1,101,337	1,101,337
Financial liabilities		
Interest-bearing bank and other borrowings	4,798,845	4,634,161

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 31 December 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*
Equity investments designated at fair value through other comprehensive income				
– Unlisted equity investments	–	–	6,000	6,000
Financial assets at fair value through profit or loss	–	257,000	–	257,000
Debt investments at fair value through other comprehensive income	–	836,418	–	836,418
Total	–	1,093,418	6,000	1,099,418

As at 31 December 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*
Equity investments designated at fair value through other comprehensive income				
– Unlisted equity investments	–	–	6,000	6,000
Financial assets at fair value through profit or loss	–	349,000	–	349,000
Debt investments at fair value through other comprehensive income	–	680,431	–	680,431
Total	–	1,029,431	6,000	1,035,431

As at 31 December 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 profit or loss	182,180	40,000	–	222,180
Debt investments at fair value through other comprehensive income	–	982,266	–	982,266
Total	182,180	1,022,266	–	1,204,446

As at 30 April 2026

	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 profit or loss	82,624	40,000	–	122,624
Debt investments at fair value through other comprehensive income	–	978,713	–	978,713
Total	82,624	1,018,713	–	1,101,337

Liabilities measured at fair value

As at 31 December 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 liabilities at fair value through profit or loss	–	838	–	838

The fair value of unlisted equity investments (level 3) has been estimated using an asset-based valuation technique based on assumptions that are not supported by observable market prices or rates.

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.

For level 3 fair value measurements, the Group normally engages external valuation experts with the recognised professional qualifications and experience to perform the valuations. Below is a summary of the valuation techniques used and the key inputs to the valuation of equity investments designated at fair value through other comprehensive income.

As at 31 December 2023	Valuation technique	Significant unobservable input	Range or weighted average	Sensitivity of fair value to the input
Unlisted equity investments	Asset-based valuation	Net assets	RMB6,000,000	1% increase/decrease in multiple would result in increase/decrease in fair value by RMB60,000

As at 31 December 2024	Valuation technique	Significant unobservable input	Range or weighted average	Sensitivity of fair value to the input
Unlisted equity investments	Asset-based valuation	Net assets	RMB6,000,000	1% increase/decrease in multiple would result in increase/decrease in fair value by RMB60,000

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments primarily comprise interest-bearing bank and other borrowings, 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 summarised below.

Interest rate risk

The Group's policy is to manage its interest costs using fixed rate debts with respect to the prevailing interest rate environment. The Group is not exposed to significant interest rate risk.

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 31 December 2023		
If the RMB weakens against the USD	10.00%	(117,227)
If the RMB strengthens against the USD	10.00%	117,227
If the RMB weakens against the EUR	10.00%	(13,022)
If the RMB strengthens against the EUR	10.00%	13,022

	(Decrease)/increase in foreign currency rate	Increase/(decrease) in profit after tax
		RMB'000
If the RMB weakens against the HKD	10.00%	(2,116)
If the RMB strengthens against the HKD	10.00%	2,116
As at 31 December 2024		
If the RMB weakens against the USD	10.00%	(163,549)
If the RMB strengthens against the USD	10.00%	163,549
If the RMB weakens against the EUR	10.00%	(15,502)
If the RMB strengthens against the EUR	10.00%	15,502
If the RMB weakens against the HKD	10.00%	(1,314)
If the RMB strengthens against the HKD	10.00%	1,314
If the RMB weakens against the THB	10.00%	(5,428)
If the RMB strengthens against the THB	10.00%	5,428
As at 31 December 2025		
If the RMB weakens against the USD	10.00%	(213,520)
If the RMB strengthens against the USD	10.00%	213,520
If the RMB weakens against the EUR	10.00%	(10,274)
If the RMB strengthens against the EUR	10.00%	10,274
If the RMB weakens against the HKD	10.00%	(1,340)
If the RMB strengthens against the HKD	10.00%	1,340
As at 30 April 2026		
If the RMB weakens against the USD	10.00%	(236,905)
If the RMB strengthens against the USD	10.00%	236,905
If the RMB weakens against the EUR	10.00%	(15,533)
If the RMB strengthens against the EUR	10.00%	15,533
If the RMB weakens against the HKD	10.00%	(782)
If the RMB strengthens against the HKD	10.00%	782

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 ageing 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 ageing 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 31 December 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	–	–	–	4,092,495	4,092,495
Financial assets included in prepayments, deposits and other receivables					
– Normal	21,346	–	–	–	21,346
Pledged and restricted deposits					
– Not yet past due	319,409	–	–	–	319,409
Cash and cash equivalents					
– Not yet past due	1,968,398	–	–	–	1,968,398
Total	2,309,153	–	–	4,092,495	6,401,648

As at 31 December 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	–	–	–	4,575,200	4,575,200
Financial assets included in prepayments, deposits and other receivables					
– Normal	18,178	–	–	–	18,178
Pledged and restricted deposits					
– Not yet past due	345,239	–	–	–	345,239
Cash and cash equivalents					
– Not yet past due	1,838,432	–	–	–	1,838,432
Total	2,201,849	–	–	4,575,200	6,777,049

As at 31 December 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	–	–	–	5,123,236	5,123,236
Financial assets included in prepayments, deposits and other receivables					
– Normal	25,549	–	–	–	25,549
Pledged and restricted deposits					
– Not yet past due	527,137	–	–	–	527,137
Time deposits with original maturity of over three months					
– Not yet past due	225,000	–	–	–	225,000
Cash and cash equivalents					
– Not yet past due	1,941,199	–	–	–	1,941,199
Total	2,718,885	–	–	5,123,236	7,842,121

As at 30 April 2026

	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	–	–	–	4,920,659	4,920,659
Financial assets included in prepayments, deposits and other receivables					
– Normal	28,401	–	–	–	28,401
Pledged and restricted deposits					
– Not yet past due	626,529	–	–	–	626,529
Cash and cash equivalents					
– Not yet past due	2,910,922	–	–	–	2,910,922
Total	3,565,852	–	–	4,920,659	8,486,511

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 at 31 December 2023, 2024 and 2025 and 30 April 2026, based on the contractual undiscounted payments, is as follows:

As at 31 December 2023

	Less than 12 months	1 to 5 years	Over 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Accounts and bills payables	3,886,070	–	–	3,886,070
Financial liabilities at fair value through profit or loss	838	–	–	838
Financial liabilities included in other payables and accruals	157,802	–	–	157,802
Lease liabilities	18,900	8,396	–	27,296
Interest-bearing bank and other borrowings	341,958	438,713	–	780,671
Convertible bonds	33,795	1,904,422	1,159,906	3,098,123
Total	4,439,363	2,351,531	1,159,906	7,950,800

As at 31 December 2024

	Less than 12 months	1 to 5 years	Over 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Accounts and bills payables	4,852,862	–	–	4,852,862
Financial liabilities included in other payables and accruals	315,698	–	–	315,698
Lease liabilities	11,279	3,789	–	15,068
Interest-bearing bank and other borrowings	388,000	254,790	51,243	694,033
Convertible bonds	10,050	1,217,676	–	1,227,726
Total	5,577,889	1,476,255	51,243	7,105,387

As at 31 December 2025

	Less than 12 months	1 to 5 years	Over 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Accounts and bills payables	6,721,591	–	–	6,721,591
Financial liabilities included in other payables and accruals	269,019	–	–	269,019
Lease liabilities	17,403	12,481	–	29,884
Interest-bearing bank and other borrowings	645,836	1,524,026	485,860	2,655,722
Total	7,653,849	1,536,507	485,860	9,676,216

As at 30 April 2026

	Less than 12 months	1 to 5 years	Over 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Accounts and bills payables	6,971,097	–	–	6,971,097
Financial liabilities included in other payables and accruals	777,441	–	–	777,441
Lease liabilities	13,052	13,882	–	26,934
Interest-bearing bank and other borrowings	680,473	3,660,514	896,122	5,237,109
Total	8,442,063	3,674,396	896,122	13,012,581

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 maximise 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 Relevant Periods.

The Group monitors capital using the debt to asset ratio, which is total liabilities divided by total assets. The debt to asset ratios at 31 December 2023, 2024 and 2025 and 30 April 2026 were as follows:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Total liabilities	8,260,512	7,746,071	10,457,117	13,396,244
Total assets	17,230,732	19,243,777	23,726,909	26,473,789
Debt-to-asset ratio	48%	40%	44%	51%

42. EVENTS AFTER THE REPORTING PERIODS

On 20 August 2026, the Company's subsidiary Zhuhai Kinwong incorporated a wholly-owned subsidiary Zhuhai Jinghong Electronic Technology Co., Ltd.

On 24 August 2026, the Board of Directors of the Company held a meeting and, pursuant to the 2026 Share options and restricted share units incentive plan, approved the grant of the first tranche of reserved restricted shares. The grant date was set as 24 August 2026, with 1,067,500 shares granted to 110 eligible grantees at a grant price of RMB35.83 per share.

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 30 April 2026.

The following is the text of a report set out on pages IA-1 to IA-2, received from the Company's reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus. The information set out below is the unaudited interim condensed consolidated financial information of the Group for the six months ended 30 June 2026 and does not form part of the Accountant's Report from the reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong, as set out in Appendix I to this prospectus, and is included herein for information purpose only.

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REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION TO THE DIRECTORS OF SHENZHEN KINWONG ELECTRONIC CO., LTD.
(Incorporated in the People's Republic of China with limited liability)

Introduction

We have reviewed the interim financial information set out on pages IA-3 to IA-21, which comprises the condensed consolidated statement of financial position of Shenzhen Kinwong Electronic Co., Ltd. (the "Company") and its subsidiaries (the "Group") as at 30 June 2026 and the related condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The interim financial information has been prepared by the directors of the Company solely for the purpose of inclusion in the prospectus of the Company dated 21 September 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").

The directors of the Company are responsible for the preparation and presentation of the interim financial information in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). Our responsibility is to express a conclusion on the interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of 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* as issued by the Hong Kong Institute of Certificate Public Accountants ("HKICPA"). A review of interim financial information 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Other Matter

The comparative information for the interim condensed consolidated statements of financial position is based on the audited financial statements as at 31 December 2025. The comparative information for the interim condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows, and related explanatory notes, for the six months ended 30 June 2025 has not been audited or reviewed.

Certified Public Accountants
Hong Kong
21 September 2026

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Six months ended 30 June 2026	Six months ended 30 June 2025
		RMB'000 *(Unaudited)*	*RMB'000* *(Unaudited)*
REVENUE	4	8,611,479	7,095,187
Cost of sales		(6,869,980)	(5,576,661)
Gross profit		1,741,499	1,518,526
Other income and gains	4	193,717	210,044
Selling and marketing expenses		(131,137)	(126,985)
Administrative expenses		(414,145)	(327,120)
Research and development costs		(433,834)	(425,736)
Other expense		(194,514)	(55,007)
Finance costs		(57,440)	(40,220)
Share of losses of an associate		(8,991)	(9,521)
PROFIT BEFORE TAX	5	695,155	743,981
Income tax expense	6	(84,306)	(90,518)
PROFIT FOR THE PERIOD		610,849	653,463
OTHER COMPREHENSIVE INCOME			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences:			
Exchange differences on translation of foreign operations		(41,535)	3,414
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods		(41,535)	3,414
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		(41,535)	3,414
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		569,314	656,877
Profit attributable to:			
Shareholders of the Company		601,617	649,551
Non-controlling interests		9,232	3,912
		610,849	653,463
Total comprehensive income attributable to:			
Shareholders of the Company		560,082	652,965
Non-controlling interests		9,232	3,912
		569,314	656,877
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY SHAREHOLDERS OF THE COMPANY			
Basic (RMB per share)	8	0.61	0.71
Diluted (RMB per share)	8	0.61	0.71

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As at 30 June 2026	As at 31 December 2025
		RMB'000 (Unaudited)	RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	9	12,434,044	10,632,094
Right-of-use assets		277,687	265,312
Intangible assets		22,400	19,544
Investment in an associate		71,376	80,367
Financial assets at fair value through profit or loss		40,000	40,000
Deferred tax assets		228,576	243,298
Prepayments, deposits and other receivables	12	1,253,958	881,072
Total non-current assets		14,328,041	12,161,687
CURRENT ASSETS			
Inventories	10	3,531,022	2,515,615
Trade and bills receivables	11	5,501,600	4,869,754
Prepayments, deposits and other receivables	12	476,346	322,071
Financial assets at fair value through profit or loss		138,193	182,180
Debt investments at fair value through other comprehensive income		721,464	982,266
Pledged and restricted deposits	13	772,379	527,137
Time deposits with original maturity of over three months	13	200,000	225,000
Cash and cash equivalents	13	1,762,511	1,941,199
Total current assets		13,103,515	11,565,222
CURRENT LIABILITIES			
Accounts and bills payables	14	7,225,986	6,721,591
Contract liabilities		34,047	11,970
Other payables and accruals	15	623,775	659,527
Interest-bearing bank and other borrowings	16	982,056	592,018
Lease liabilities		12,098	16,747
Tax payable		45,548	53,243
Total current liabilities		8,923,510	8,055,096
NET CURRENT ASSETS		4,180,005	3,510,126
TOTAL ASSETS LESS CURRENT LIABILITIES		18,508,046	15,671,813
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	16	4,601,693	1,863,943
Lease liabilities		13,784	11,912
Deferred income		413,071	403,448
Deferred tax liabilities		82,085	122,718
Total non-current liabilities		5,110,633	2,402,021
Net assets		13,397,413	13,269,792
EQUITY			
Equity attributable to shareholders of the Company			
Share capital	17	985,820	984,812
Treasury shares	17	(85,089)	(85,089)
Reserves		12,290,369	12,172,988
		13,191,100	13,072,711
Non-controlling interests		206,313	197,081
Total equity		13,397,413	13,269,792

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Six months ended 30 June 2026 (Unaudited)

	Attributable to shareholders of the Company										
	Share capital	**Treasury shares**	**Capital reserve***	**Share-based payment reserve***	**Exchange fluctuation reserve***	**Special reserve – safety fund***	**Statutory surplus reserve***	**Retained profits***	**Total**	**Non-controlling interests**	**Total equity**
	RMB'000 (Note 17)	*RMB'000 (Note 17)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2026	984,812	(85,089)	5,090,322	163,911	9,315	–	501,395	6,408,045	13,072,711	197,081	13,269,792
Profit for the period	–	–	–	–	–	–	–	601,617	601,617	9,232	610,849
Other comprehensive loss for the period:											
Exchange differences on translation of foreign operations	–	–	–	–	(41,535)	–	–	–	(41,535)	–	(41,535)
Total comprehensive (loss)/income for the period	–	–	–	–	(41,535)	–	–	601,617	560,082	9,232	569,314
Dividend declared	–	–	–	–	–	–	–	(541,357)	(541,357)	–	(541,357)
Issue of shares upon exercise of share options	1,008	–	60,817	(47,722)	–	–	–	–	14,103	–	14,103
Share-based payments	–	–	–	49,938	–	–	–	–	49,938	–	49,938
Deferred tax on share-based payments	–	–	–	35,623	–	–	–	–	35,623	–	35,623
Safety fund provided	–	–	–	–	–	2,900	–	–	2,900	–	2,900
Safety fund used	–	–	–	–	–	(2,900)	–	–	(2,900)	–	(2,900)
At 30 June 2026	985,820	(85,089)	5,151,139	201,750	(32,220)	–	501,395	6,468,305	13,191,100	206,313	13,397,413

* These reserve accounts comprise the consolidated reserves of RMB12,290,369,000 (unaudited) (31 December 2025: RMB12,172,988,000 (audited)) in the consolidated statements of financial position.

Six months ended 30 June 2025 (Unaudited)

	Attributable to shareholders of the Company											
	Share capital	Treasury shares	Equity component of convertible bonds	Capital reserve	Share-based payment reserve	Exchange fluctuation reserve	Special reserve – safety fund	Statutory surplus reserve	Retained profits	Total	Non-controlling interests	Total equity
	RMB'000 *(Note 17)*	*RMB'000* *(Note 17)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2025	932,532	(112,037)	177,667	3,759,964	128,369	1,895	–	383,537	6,041,746	11,313,673	184,033	11,497,706
Profit for the period	–	–	–	–	–	–	–	–	649,551	649,551	3,912	653,463
Other comprehensive income for the period:												
Exchange differences on translation of foreign operations	–	–	–	–	–	3,414	–	–	–	3,414	–	3,414
Total comprehensive income for the period	–	–	–	–	–	3,414	–	–	649,551	652,965	3,912	656,877
Dividend declared	–	–	–	–	–	–	–	–	(747,828)	(747,828)	–	(747,828)
Conversion of convertible bonds	2,217	–	(8,214)	54,379	–	–	–	–	–	48,382	–	48,382
Issue of restricted shares	2,130	(19,999)	–	17,869	–	–	–	–	–	–	–	–
Deregistration of forfeited restricted shares	(114)	1,072	–	(958)	–	–	–	–	–	–	–	–
Share-based payments	–	–	–	–	84,575	–	–	–	–	84,575	–	84,575
Transferred from retained profits	–	–	–	–	–	–	–	12,883	(12,883)	–	–	–
Safety fund provided	–	–	–	–	–	–	2,128	–	–	2,128	–	2,128
Safety fund used	–	–	–	–	–	–	(2,128)	–	–	(2,128)	–	(2,128)
At 30 June 2025	936,765	(130,964)	169,453	3,831,254	212,944	5,309	–	396,420	5,930,586	11,351,767	187,945	11,539,712

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Notes	Six months ended 30 June 2026 RMB'000 (Unaudited)	Six months ended 30 June 2025 RMB'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		695,155	743,981
Adjustments for:			
Finance costs		57,440	40,220
Interest income	4	(25,145)	(19,689)
Foreign exchange differences, net		25,363	(38,435)
Depreciation of items of property, plant and equipment	9	566,240	431,807
Amortisation of intangible assets		5,885	5,037
Depreciation of right-of-use assets		16,905	13,963
Losses on disposal of items of property, plant and equipment	5	4,923	4,644
Fair value gains on financial assets at fair value through profit or loss		(131,574)	(73,851)
Impairment losses on financial assets	5	32,546	14,337
Impairment of property, plant and equipment	5	524	963
Write-down of inventories to net realisable value	5	33,520	34,528
Share of losses of an associate		8,991	9,521
Share-based payment expenses		49,938	84,575
		1,340,711	1,251,601
Increase in inventories		(1,048,927)	(327,560)
Increase in trade and bills receivables		(663,307)	(272,557)
Increase in prepayments, deposits and other receivables		(144,689)	(38,962)
Decrease/(increase) in debt investments at fair value through other comprehensive income		260,802	(491,752)
Increase in accounts and bills payables		655,786	907,027
Increase/(decrease) in other payables and accruals		239,700	(29,741)
Increase/(decrease) in contract liabilities		22,077	(472)
Increase/(decrease) in deferred income		9,623	(119)
Cash generated from operations		671,776	997,465
Interest received		23,570	19,689
Income taxes paid		(91,099)	(104,433)
Net cash flows from operating activities		604,247	912,721
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of items of property, plant and equipment		10,707	9,272
Purchase of items of property, plant and equipment		(3,174,161)	(1,181,531)
Purchase of intangible assets		(8,741)	(1,155)
Acquisition of land use rights		(19,372)	–
Dividends received from listed investments		341	702
Purchases of financial assets at fair value through profit or loss		(4,421)	(727,000)
Maturity or disposal of financial assets at fair value through profit or loss		15,334	1,016,000

	Notes	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Investment income from financial assets at fair value through profit or loss		174,172	1,728
Purchases of time deposits with original maturity of over three months		(200,000)	(400,000)
Proceeds from maturity of time deposits with original maturity of over three months		226,575	–
Net cash flows used in investing activities		(2,979,566)	(1,281,984)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of restricted shares		647	19,999
Repurchase and cancellation of forfeited restricted shares		(4,207)	(2,640)
New bank and other borrowings		3,493,440	1,289,873
Repayment of bank and other borrowings		(360,006)	(191,688)
Interest paid		(53,110)	(19,603)
Dividends paid		(542,366)	(736,802)
Payment of listing expenses		(14,802)	–
Payment of lease liabilities		(13,202)	(10,303)
Increase in pledged and restricted deposits		(245,242)	(93,192)
Net cash flows from financing activities		2,261,152	255,644
NET DECREASE IN CASH AND CASH EQUIVALENTS		(114,167)	(113,619)
Cash and cash equivalents at beginning of period		1,941,199	1,838,432
Effect of foreign exchange rate changes, net		(64,521)	15,670
CASH AND CASH EQUIVALENTS AT END OF PERIOD		1,762,511	1,740,483
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	*13*	2,734,890	2,578,914
Less: Pledged and restricted deposits	*13*	772,379	438,431
Time deposits with original maturity of over three months	*13*	200,000	400,000
Cash and cash equivalents as stated in the interim condensed consolidated statements of financial position and the interim condensed consolidated statements of cash flows	*13*	1,762,511	1,740,483

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. CORPORATE INFORMATION

Shenzhen Kinwong Electronic Co., Ltd. (深圳市景旺電子股份有限公司) (the "Company") was a joint stock company with limited liability established in the People's Republic of China ("PRC") on 9 March 1993. With the approval of the China Securities Regulatory Commission, the Company completed its initial public offering and was listed on the main board of the Shanghai Stock Exchange (stock code: 603228) in January 2017. The registered office of the Company is located at 166 Tiegang Shuiku Road, Xixiang Subdistrict, Bao'an District, Shenzhen, PRC.

During the six months ended 30 June 2026 and 2025, the Company and its subsidiaries (collectively referred to as the "Group") were principally engaged in the manufacture and sale of printed circuit boards ("PCB").

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with IAS 34 *Interim Financial Reporting* as issued by International Accounting Standards Board ("IASB"). The interim condensed consolidated financial information does not include all the information and disclosures required for a complete set of financial statements prepared in accordance with the IFRS Accounting Standards, and should be read in conjunction with the Group's consolidated financial statements as set out in the accountants' report (the "Accountants' Report") included in Appendix I to the Company's prospectus dated 21 September 2026 (the "Prospectus") in connection with the initial public offering of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

2.2 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective, in the Historical Financial Information. The Group intends to apply these new and amended IFRS Accounting Standards, if applicable, when they become effective.

IFRS 18	*Presentation and Disclosure in Financial Statements*[1]
IFRS 19 and its amendments	*Subsidiaries without Public Accountability: Disclosures*[1]
IFRS 20	*Regulatory Assets and Regulatory Liabilities*[2]
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*[1]
Amendments to IAS 28	*Fair Value Option for Investments in Associates and Joint Ventures*[1]

1 Effective for annual/reporting periods beginning on or after 1 January 2027

2 Effective for annual/reporting periods beginning on or after 1 January 2029

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 amended IFRS Accounting Standards upon initial application. So far, the Group considers that these new and amended IFRS Accounting Standards, except for IFRS 18, may result in changes in certain accounting policies but are unlikely to have a significant impact on the Group's financial performance and financial position in the period of initial application. The application of IFRS 18 is not expected to have material impact on the consolidated statements of financial position but is expected to affect the presentation of the consolidated statements of profit or loss and other comprehensive income and the consolidated statements 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. 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. Therefore, the Group has only one reportable operating segment, which engages in the manufacture and sales of PCB products. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

(a) Revenue from external customers

Revenue is attributed to geographical areas based on the locations of customers. Revenues by geographical based on the locations of customers during the six months ended 30 June 2026 and 2025 are presented as follows:

	Six months ended 30 June	
Segments	**2026**	**2025**
	RMB'000 *(Unaudited)*	*RMB'000* *(Unaudited)*
Chinese mainland	5,240,878	4,451,161
Outside Chinese mainland*	3,370,601	2,644,026
Total revenue	8,611,479	7,095,187

* The revenue information above is based on the locations of the customers. The outside Chinese mainland includes Hong Kong, Macau and Taiwan solely for the presentation purpose.

(b) Non-current assets

	As at 30 June	As at 31 December
	2026	**2025**
	RMB'000 *(Unaudited)*	*RMB'000* *(Audited)*
Chinese mainland	13,412,257	11,484,583
Outside Chinese mainland	647,208	393,806
Total non-current assets	14,059,465	11,878,389

The non-current asset information above is based on the locations of the assets and excludes deferred tax assets and financial instruments.

Information about major customers

No revenue from sales to a single customer or a group of customers under common control accounted for 10% or more of the Group's revenue during the six months ended 30 June 2026 and 2025.

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Six months ended 30 June	
	2026	**2025**
	RMB'000 *(Unaudited)*	*RMB'000* *(Unaudited)*
Revenue from contracts with customers	8,611,479	7,095,187

Revenue from contracts with customers

(a) Disaggregated revenue information

	Six months ended 30 June	
	2026	**2025**
	RMB'000 *(Unaudited)*	*RMB'000* *(Unaudited)*
Types of products		
PCB products	7,930,914	6,680,131
Others*	680,565	415,056
Total revenue from contracts with customers	8,611,479	7,095,187

	Six months ended 30 June	
	2026	2025
	RMB'000 *(Unaudited)*	*RMB'000* *(Unaudited)*
Geographical markets		
Chinese mainland	5,240,878	4,451,161
Outside Chinese mainland	3,370,601	2,644,026
Total revenue from contracts with customers	8,611,479	7,095,187
Timing of revenue recognition		
Goods transferred at a point in time	8,611,479	7,095,187

* Others mainly represented the sales of production residues which contain copper.

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of PCB products

The performance obligation is satisfied upon the delivery of the PCB products. The payment is generally due within 30 to 120 days from delivery, except for new customers, where payment in advance is normally required.

An analysis of other income and gains is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000 *(Unaudited)*	*RMB'000* *(Unaudited)*
Other income		
Interest income	25,145	19,689
Government grants*	34,936	77,446
Total other income	60,081	97,135
Gains		
Gains on foreign exchange differences	–	37,807
Fair value gains on financial assets at fair value through profit or loss	131,574	73,851
Others	2,062	1,251
Total gains	133,636	112,909
Total other income and gains	193,717	210,044

* The amount included government grants related to expense items and assets items. These government grants related to expense items were awarded for the Company's contribution to local economic growth and reimbursed for the Company's operating expenditures. These grants related to expense items are recognised in profit or loss upon receipt and there are no unfulfilled conditions or contingencies relating to these grants. The Company has also received certain government grants related to the investments in plant and equipment. The grants related to assets were recognised as deferred income upon receipt. There are no unfulfilled conditions or contingencies relating to these grants.

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Notes	Six months ended 30 June 2026	2025
		RMB'000 *(Unaudited)*	*RMB'000* *(Unaudited)*
Cost of inventories sold		6,869,980	5,576,661
Write-down of inventories to net realisable value**		33,520	34,528
Research and development costs*		433,834	425,736
Depreciation of property, plant and equipment	9	566,240	431,807
Depreciation of right-of-use assets		16,905	13,963
Amortisation of intangible assets		5,885	5,037
Impairment of property, plant and equipment**	9	524	963
Lease payments not included in the measurement of lease liabilities		3,912	4,408
Listing expenses		370	–
Losses/(gains) on foreign exchange differences***		122,503	(37,807)
Impairment losses on financial assets, net**		32,546	14,337
Net losses on disposal of items of property, plant and equipment**	9	4,923	4,644

* The depreciation, amortization and employee benefit expenses attributable to the research and development activities are included in "Research and development costs" in profit or loss.

** Included in "Other expenses" in profit or loss.

*** Included in "Other income and gains" or "Other expenses" in profit or loss.

6. 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.

Chinese mainland

Pursuant to the Corporate Income Tax Law of the PRC and the respective regulations (the "CIT Law"), the Company and subsidiaries which operate in 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) Several subsidiaries of the Group accredited as High and New Technology Enterprises under the tax law, which were entitled to a preferential CIT rate of 15% for the six months ended 30 June 2026 and 2025.

(b) Several subsidiaries of the Group were qualified as small and micro-sized enterprises and enjoyed a corporate income tax incentive. These entities were entitled to a preferential CIT rate of 20% for the six months ended 30 June 2026 and 2025.

Hong Kong

The first HK$2,000,000 of assessable profits of this subsidiary are taxed at 8.25% and the remaining assessable profits were taxed at 16.5% for the six months ended 30 June 2026 and 2025.

Thailand

The subsidiary incorporated in Thailand was subject to the 20% of its taxable profits for the six months ended 30 June 2026 and 2025.

Other overseas areas

The Company's other overseas subsidiaries or branches were subject to income tax at rates ranging from 4.25% to 23.2% during the six months ended 30 June 2026 and 2025.

The income tax expenses of the Group for the six months ended 30 June 2026 and 2025 are as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000 *(Unaudited)*	*RMB'000* *(Unaudited)*
Current income tax	74,594	98,136
Deferred income tax	9,712	(7,618)
Total	84,306	90,518

7. DIVIDEND

	Six months ended 30 June	
	2026	2025
	RMB'000 *(Unaudited)*	*RMB'000* *(Unaudited)*
Final dividend in respect of the previous period, declared during the following period (tax inclusive)	541,357	747,828

The final dividend of RMB5.5 per 10 ordinary shares (tax inclusive) in respect of the year ended 31 December 2025, with aggregate amount of approximately RMB541,671,000, was approved by the annual general meeting of the Company, which was subsequently update to approximately RMB541,357,000 based on the deduction of dividends of lapsed restricted shares under restricted share units incentive plan. Approximately RMB542,366,000 was paid by the Company on 18 May 2026 while the remaining balance of approximately RMB5,936,000 was recorded in the Company's other payables and accruals (note 15).

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY SHAREHOLDERS OF THE COMPANY

The calculation of the basic earnings per share amounts is based on the profit for the period attributable to shareholders of the company, adjusted to reflect the impact of the restricted share incentive scheme, where applicable (see below), and the weighted averages number of ordinary shares outstanding during the six months ended 30 June 2026 and 2025.

The calculation of the diluted earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the company, adjusted to reflect the impact of the restricted share incentive scheme, where applicable, and the interest on the convertible bonds (see below). The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the 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 calculation:

	Six months ended 30 June	
	2026	2025
	RMB'000 *(Unaudited)*	*RMB'000* *(Unaudited)*
Earnings		
Profit for the period attributable to shareholders of the company	601,617	649,551
Less: Cash dividends distributable to the restricted share incentive scheme	(2,418)	(6,946)
Adjusted profit attributable to ordinary equity holders of the company, used in the basic earnings per share calculation	599,199	642,605
Interest on convertible bonds	–	20,961
Adjusted profit attributable to ordinary equity holders of the company, used in the dilution earnings per share calculation	599,199	663,566

	Six months ended 30 June	
	2026	2025
	'000 *(Unaudited)*	*'000* *(Unaudited)*
Shares		
Weighted average number of ordinary shares (excluding restricted shares) outstanding during the period, used in the basic earnings per share calculation	968,981	921,239
Effect of dilution – weighted average number of ordinary shares:		
Convertible bonds	–	46,304
Share options and other incentive schemes	920	1,205
Total	969,901	968,748

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired assets at a cost of RMB2,411,837,000 (unaudited) (30 June 2025: RMB1,190,744,000 (unaudited)).

During the six months ended 30 June 2026, depreciation of RMB566,240,000 (unaudited) (30 June 2025: RMB431,807,000 (unaudited)) was charged and assets with a net book value of RMB14,761,000 (unaudited) were disposed of by the Group during the six months ended 30 June 2026 (30 June 2025: RMB10,772,000 (unaudited)), resulting in a net loss on disposal of RMB4,923,000 (unaudited) (30 June 2025: net loss on disposal of RMB4,644,000 (unaudited)).

During the six months ended 30 June 2026, the exchange realignment of negative RMB28,362,000 (unaudited) (30 June 2025: positive RMB5,297,000 (unaudited)), resulting in a foreign currency translation of the financial statements of companies whose functional currency is not RMB.

During the six months ended 30 June 2026, the Group has identified obsolete machinery which was idle and not expected to be used in the future. The directors of the Group assessed the recoverable amounts of the obsolete machinery and provided impairment provision of RMB524,000 (unaudited) (30 June 2025: RMB963,000 (unaudited)).

10. INVENTORIES

	As at 30 June	As at 31 December
	2026	2025
	RMB'000 *(Unaudited)*	*RMB'000* *(Audited)*
Raw materials and consumables	1,262,711	745,736
Work in progress	849,546	602,106
Finished goods	563,920	465,570
Goods in transit*	854,845	702,203
Total	3,531,022	2,515,615

* The goods in transit was mainly comprises of the vendor managed inventory, the Company delivers the goods to the warehouse designated by the customer, and maintains the inventory level according to the customer's requirements. Before being picked up by the customer, the goods are still belong to the Company.

11. TRADE AND BILLS RECEIVABLES

	As at 30 June	As at 31 December
	2026	2025
	RMB'000 *(Unaudited)*	*RMB'000* *(Audited)*
Trade receivables	5,551,004	4,949,254
Bills receivable	233,689	173,982
Impairment	(283,093)	(253,482)
Net carrying amount	5,501,600	4,869,754

The Group's trading terms with its customers are mainly on credit. The credit period is generally 30 to 120 days. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise 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 ageing analysis of the trade and bills receivables as at 30 June 2026 and 31 December 2025 (based on the invoice date and net of loss allowance) is as follows:

	As at 30 June	As at 31 December
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Audited)*
Within 1 year	5,501,600	4,869,754
Total	5,501,600	4,869,754

12. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at 30 June	As at 31 December
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Audited)*
Prepayments	1,334,591	889,645
Deposits and other receivables	152,168	99,985
Value-added tax recoverable	202,885	181,410
Tax prepayments	30,291	21,481
Listing expenses	22,333	20,045
	1,742,268	1,212,566
Less: Provision for impairment of other receivables	(11,964)	(9,423)
Net carrying amount	1,730,304	1,203,143
Analysed into:		
Current portion	476,346	322,071
Non-current portion	1,253,958	881,072

An impairment analysis was performed as at 30 June 2026 and 31 December 2025. The Group has applied the general approach to provide for expected credit losses for non-trade other receivables under IFRS 9. The Group has assessed that the credit risk of these receivables has not increased significantly since initial recognition. As at 30 June 2026 and 31 December 2025, these receivables were categorised in stage 1 and 12-month expected losses are calculated.

13. CASH AND CASH EQUIVALENTS, PLEDGED AND RESTRICTED DEPOSITS

	As at 30 June	As at 31 December
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Audited)*
Cash and bank balances	2,734,890	2,693,336
Less: Pledged and restricted deposits	(772,379)	(527,137)
Time deposits with original maturity of over three months	(200,000)	(225,000)
Cash and cash equivalents	1,762,511	1,941,199

The RMB is not freely convertible into other currencies, however, under 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 authorised to conduct foreign exchange business.

Certain deposits are pledged for the issuance of bankers' acceptances.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank and 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.

14. ACCOUNTS AND BILLS PAYABLES

	As at 30 June 2026	As at 31 December 2025
	RMB'000 *(Unaudited)*	*RMB'000* *(Audited)*
Trade payables	3,738,729	3,146,360
Bills payable	1,854,563	1,827,931
Payables for construction costs and equipment	1,632,694	1,747,300
Total	7,225,986	6,721,591

An ageing analysis of the accounts and bills payables as at 30 June 2026 and 31 December 2025 is as follows:

	As at 30 June 2026	As at 31 December 2025
	RMB'000 *(Unaudited)*	*RMB'000* *(Audited)*
Within 1 year	7,091,522	6,607,111
1 year to 2 years	93,679	84,685
2 years to 3 years	24,112	13,609
Over 3 years	16,673	16,186
Total	7,225,986	6,721,591

Accounts payables are non-interest-bearing and are normally settled on terms of 90 to 120 days.

As at 30 June 2026 and 31 December 2025, the carrying amounts of accounts and bills payables approximated to their fair values.

15. OTHER PAYABLES AND ACCRUALS

	As at 30 June 2026	As at 31 December 2025
	RMB'000 *(Unaudited)*	*RMB'000* *(Audited)*
Restricted share repurchase obligations	80,958	85,089
Deposits payable	5,970	22,688
Accruals and other payables	68,557	99,287
Payroll and welfare payable	274,556	318,279
Other tax payables	82,676	48,815
Endorsed bank bills	105,122	78,424
Dividend	5,936	6,945
Total	623,775	659,527

Other payables are unsecured and repayable on demand.

16. INTEREST-BEARING BANK AND OTHER BORROWINGS

	Effective interest rate	Maturity	As at 31 December 2025
			RMB'000 *(Audited)*
Current			
Bank loans – unsecured	2.20%-2.55%	2026	153,107
Current portion of long-term bank loans – secured	3.40%-4.50%	2026	71,586
Current portion of long-term bank loans – unsecured	2.40%-3.40%	2026	141,631
Other loans – secured	0.70%-4.00%	2026	225,694
Total – current			592,018

	Effective interest rate	Maturity	As at 31 December 2025
			RMB'000 *(Audited)*
Non-current			
Long-term bank loans – secured	3.30%-4.50%	2027-2034	1,003,018
Long-term bank loans – unsecured	2.40%-3.40%	2027-2030	860,925
Total – non-current			1,863,943
Total			2,455,961

	Effective interest rate	Maturity	As at 30 June 2026
			RMB'000 *(Unaudited)*
Current			
Bank loans – unsecured	2.20%-2.22%	2026-2027	321,814
Current portion of long-term bank loans – secured	2.50%-3.50%	2026-2027	107,531
Current portion of long-term bank loans – unsecured	2.29%-3.40%	2026-2027	344,069
Other loans – secured	0.78%-1.28%	2026	208,642
Total – current			982,056
Non-current			
Long-term bank loans – secured	2.95%-3.50%	2027-2034	2,555,177
Long-term bank loans – unsecured	2.29%-3.40%	2026-2030	2,046,516
Total – non-current			4,601,693
Total			5,583,749

Certain of the Group's bank loans and other loans are secured by:

(a) The Group's mortgaged buildings and construction in progress with net carrying amounts of RMB1,240,885,000 (unaudited) (31 December 2025: RMB1,256,323,000 (audited)) as at 30 June 2026; and

(b) The Group's mortgaged land use rights with net carrying amounts of RMB104,613,000 (unaudited) (31 December 2025: RMB86,601,000 (audited)) as at 30 June 2026.

17. SHARE CAPITAL AND TREASURY SHARES

Share capital

	As at 30 June 2026	As at 31 December 2025
	RMB'000 *(Unaudited)*	*RMB'000* *(Audited)*
Issued and fully paid:		
Ordinary shares of RMB1.00 each	985,820	984,812

A summary of movements in the Company's share capital is as follows:

	Number of shares in issue	Share capital
	'000	*RMB'000*
At 1 January 2025	932,532	932,532
Conversion of convertible bonds	48,195	48,195
Issue of restricted shares	2,130	2,130
Deregistration of forfeited restricted shares *(a)*	(457)	(457)
Issue of shares upon exercise of share options	2,412	2,412
At 31 December 2025	984,812	984,812
At 1 January 2026 (unaudited)	984,812	984,812
Issue of shares upon exercise of share options (unaudited)	1,008	1,008
At 30 June 2026 (unaudited)	985,820	985,820

Treasury shares

	Treasury share
	RMB'000
At 1 January 2025	112,037
Issue of restricted shares	19,999
Deregistration of forfeited restricted shares *(a)*	(4,290)
Vesting of restricted shares	(42,657)
At 31 December 2025	85,089
At 30 June 2026 (unaudited)	85,089

(a) Pursuant to the approval and authorization by the shareholders' meeting of the Company on 20 May 2024, the Company repurchased and cancelled nil (unaudited) forfeited restricted shares during the six months ended 30 June 2026 (31 December 2025: 457,000 forfeited restricted shares (audited)), which were forfeited and did not vest.

18. COMMITMENTS

The Group had the following contractual commitments as at 30 June 2026 and 31 December 2025:

	As at 30 June	As at 31 December
	2026	2025
	RMB'000	*RMB'000*
Property, plant and equipment	3,643,554	2,683,298

19. RELATED PARTY TRANSACTIONS

(a) Names and relationships

Name of related parties	Relationship with the Group
Longchuan Tengtian Department Store Co., Ltd.	A company under significant influence by Mr. Liu Shaobai, a non-executive director of the Company
Suzhou Innovation Ceramic Technology Co., Ltd.	An associate of the Company
Luxshare Precision Industry Co., Ltd.	A significant non-controlling shareholder of a subsidiary of the Company
Xunmu Information Technology (Shanghai) Co., Ltd.	Controlled by the ultimate holding company of a significant non-controlling shareholder of a subsidiary of the Company
ICT-LANTO LIMITED	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Asap Technology (Jiangxi) Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Dongguan Xuntao electronic Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Merry Electronics (Suzhou) Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Jiangxi Asap Electronics Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Luxshare Precision Limited	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Lanto Electronic Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Lixin Precision Intelligent Manufacturing (Kunshan) Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Luxshare Electronic Technology (Kunshan) Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Luxshare Precision Industry (Kunshan) Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Xuancheng Luxshare Precision Industry Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
XuanDe Technology Co., Ltd	Controlled by a significant non-controlling shareholder of a subsidiary of the Company

Name of related parties	Relationship with the Group
Luxshare Precision Industry (Enshi) Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Da Chuang Precision Intelligent Manufacturing (Kunshan) Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
ShenZhen Luxshare Acoustics Technology Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Luxshare Precision Technology (Nanjing) Co., Ltd	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Luxshare Precision Industry (Chuzhou) Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Suzhou Luxshare Technology Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Luxshare Intelligent Manufacturing Electronic Services (Kunshan) Co., LTD.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Speedtech Intelligence Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Huzhou Luxshare Precision Industry Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Luxshare ITech (Zhejiang) Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Dongguan Huarong Communication Technology Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Lisheng Intelligent Technology (Chengdu) Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company
Luxshare New Energy (Anhui) Co., Ltd.	Controlled by a significant non-controlling shareholder of a subsidiary of the Company

(b) The Group had the following transactions with related parties during the six months ended 30 June 2026 and 2025:

	Six months ended 30 June	
	2026	2025
	RMB'000 *(Unaudited)*	*RMB'000* *(Unaudited)*
Purchases of goods and services *(note i)*	14,047	3,209
Sales of goods *(note ii)*	65,490	42,383

(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.

(ii) The sales to the related parties were made according to the published prices and conditions offered to the major customers of the Group.

(c) Outstanding balances with related parties as at 30 June 2026 and 31 December 2025:

	As at 30 June	As at 31 December
	2026	2025
	RMB'000 *(Unaudited)*	*RMB'000* *(Audited)*
Trade and bills receivables	59,963	31,037
Prepayments, deposits and other receivables	234	233
Debt investments at fair value through other comprehensive income	618	1,515
Accounts and bills payables	10,055	4,426
Other payables and accruals	5	5
Contract liabilities	7	–

As at 30 June 2026 and 31 December 2025, all the outstanding balances with related parties were trade in nature.

(d) Compensation of key management personnel of the Group:

	Six months ended 30 June	
	2026	**2025**
	RMB'000 *(Unaudited)*	*RMB'000* *(Unaudited)*
Short term employee benefits	8,430	7,186
Share-based payment expenses	1,059	2,266
Total	9,489	9,452

20. 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), accounts 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 analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the 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 31 December 2025 (Audited)

	Carrying amounts	**Fair values**
	RMB'000	*RMB'000*
Financial assets		
Financial assets at fair value through profit or loss	222,180	222,180
Debt investments at fair value through other comprehensive income	982,266	982,266
Total	1,204,446	1,204,446
Financial liabilities		
Interest-bearing bank and other borrowings	2,455,961	2,409,975

As at 30 June 2026 (Unaudited)

	Carrying amounts	**Fair values**
	RMB'000	*RMB'000*
Financial assets		
Financial assets at fair value through profit or loss	178,193	178,193
Debt investments at fair value through other comprehensive income	721,464	721,464
Total	899,657	899,657
Financial liabilities		
Interest-bearing bank and other borrowings	5,583,749	5,048,235

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 31 December 2025 (Audited)

	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 profit or loss	182,180	40,000	–	222,180
Debt investments at fair value through other comprehensive income	–	982,266	–	982,266
Total	182,180	1,022,266	–	1,204,446

As at 30 June 2026 (Unaudited)

	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 profit or loss	138,193	40,000	–	178,193
Debt investments at fair value through other comprehensive income	–	721,464	–	721,464
Total	138,193	761,464	–	899,657

During the six months ended 30 June 2026 and 2025, 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.

21. EVENTS AFTER THE REPORTING PERIOD

On 20 August 2026, the Company's subsidiary Zhuhai Kinwong incorporated a wholly-owned subsidiary Zhuhai Jinghong Electronic Technology Co., Ltd.

On 24 August 2026, the Board of Directors of the Company held a meeting and, pursuant to the 2026 Share options and restricted share units incentive plan, approved the grant of the first tranche of reserved restricted shares. The grant date was set as 24 August 2026, with 1,067,500 shares granted to 110 eligible grantees at a grant price of RMB35.83 per share.

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 unaudited 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 30 April 2026 as if it had taken place on 30 April 2026.

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 30 April 2026 or any future date. It is prepared based on our consolidated net tangible assets attributable to the owners of the Company as of 30 April 2026 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 30 April 2026	**Estimated net proceeds from the Global Offering**	**Unaudited pro forma adjusted consolidated net tangible assets as at 30 April 2026**	**Unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company per Share as at 30 April 2026**	
	RMB'000 *(Note 1)*	*RMB'000* *(Note 2)*	*RMB'000*	*RMB* *(Note 4)*	*(HK$ equivalent)* *(Note 4)*
Based on an Offer Price of HK$69.88 per Share	12,846,478	4,287,048	17,133,526	16.24	18.80

Notes:

(1) The consolidated net tangible assets attributable to owners of the Company as at 30 April 2026 is extracted from "Appendix I — Accountants' Report", which is based on the consolidated equity attributable to owners of the parent as of 30 April 2026 of approximately RMB12,868,216,000, less intangible assets of approximately RMB21,738,000 as of 30 April 2026.

(2) The estimated net proceeds from the Global Offering are based on the Offer Price of HK$69.88 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 RMB at an exchange rate of HK$1.00 to RMB0.8638 prevailing on the Latest Practicable Date.

(3) The unaudited pro forma adjusted consolidated net tangible assets per Share is calculated based on 1,054,985,773 Shares in issue immediately following the completion of the Global Offering.

If assuming that the 19,282,568 restricted shares as at Latest Practicable Date have been vested, the unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company per Share as at 30 April 2026, which is divided by 1,074,268,341 Shares, would then be adjusted to RMB15.95(HK$18.46).

(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 RMB0.8638 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 30 April 2026.

B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED 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 Shenzhen Kinwong Electronic Co., Ltd.

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Shenzhen Kinwong Electronic Co., Ltd. (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated net tangible assets as at 30 April 2026 and related notes as set out on page II-1 of the prospectus dated 21 September 2026 (the "Prospectus") issued by the Company (the "Unaudited Pro Forma Financial Information"). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described in Appendix IIA of the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the global offering of shares of the Company on the Group's financial position as at 30 April 2026 as if the transaction had taken place at 30 April 2026. 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 April 2026, on which an accountants' report has been published.

Directors' responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline ("AG") 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Our independence and quality management

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* as issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountants' responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* as issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of the Unaudited Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the global offering of shares of the Company on unadjusted financial information of the Group as if the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the transaction would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully,

Certified Public Accountants
Hong Kong
21 September 2026

This Appendix provides the investors with a summary of the Articles of Association. As the following information is presented in summary form, it does not include all information that may be important to the investors.

ISSUANCE OF SHARES

The issuance of the Company's shares shall adhere to the principles of openness, fairness and impartiality, and each share of the same class shall carry equal rights. Shares of the same class issued at the same time shall have the same issuance terms and price; subscribers shall pay the same amount for each share subscribed.

INCREASE, REDUCTION AND REPURCHASE OF SHARES

Based on the needs of operation and development, the Company may increase its capital by the following means in accordance with the provisions of laws and regulations upon resolution of the general meeting:

(I) offering of shares to unspecified parties;

(II) offering of shares to specific parties;

(III) allotment of bonus shares to existing shareholders;

(IV) conversion of reserve fund to share capital;

(V) converting convertible corporate bonds into shares. If, after the conversion conditions are met, the convertible corporate bond issuance plan approved at the general meeting leads to changes in the Company's registered capital and share capital upon conversion, the Board of Directors shall, based on the conversion circumstances, amend the relevant clauses in the Articles of Association concerning the Company's registered capital and share capital, and the Board of Directors and its authorized personnel shall complete the amendment of business registration with the relevant administration for market regulation;

(VI) other methods stipulated by laws, administrative regulations, and the China Securities Regulatory Commission (CSRC) and other securities regulatory authority in the jurisdiction where the Company's shares are listed.

The Company may reduce its registered capital. The Company shall reduce its registered capital in accordance with the Company Law (《公司法》) and other relevant regulations as well as the procedures stipulated in the Articles of Association.

The Company shall not repurchase its own shares, except under any of the following circumstances:

(I) to reduce the registered capital of the Company;

(II) to merge with other companies holding the Company's shares;

(III) to use the shares for the employee share schemes or as equity incentives;

(IV) to acquire the shares of shareholders (upon their request) who vote against any resolution adopted at general meetings on the merger or division of the Company;

(V) to utilize shares to satisfy the conversion of corporate bonds that are convertible into shares issued by the Company;

(VI) to safeguard corporate values and shareholders' rights and interests as the Company deems necessary.

The circumstances referred to in item (VI) of the preceding paragraph shall meet one of the following conditions:

(1) The Company's stock closing price is below its net asset value per share for the latest period;

(2) The cumulative decline in the Company's stock closing price reaches 20% within 20 consecutive trading days;

(3) The Company's stock closing price is below 50% of its highest closing price in the most recent financial year;

(4) Other conditions stipulated by the CSRC and securities regulatory authority and stock exchange in the jurisdiction where the Company's shares are listed.

Where the Company repurchases its shares, the repurchase shall be conducted through public and centralized trading or other methods recognized by laws, administrative regulations, the CSRC, and the securities regulatory authority and stock exchange in the jurisdiction where the Company's shares are listed, and shall comply with applicable laws and regulations and the securities regulatory rules in the jurisdiction where the Company's shares are listed.

Where the Company intends to repurchase its shares under the circumstances set out in items (III), (V) and (VI) of paragraph 3, the repurchase shall be conducted through public and centralized trading.

In the case of A shares, if the Company intends to repurchase its shares under the circumstances stipulated in aforementioned items (I) and (II) of paragraph 3, it shall be approved by a resolution at a general meeting. If the Company intends to repurchase its shares under the circumstances stipulated in aforementioned items (III), (V) and (VI) of paragraph 3, provided that it complies with the securities regulatory rules in the jurisdiction where the Company's shares are listed, it may, in accordance with the provisions of the Articles of Association or the authorization of the general meeting, be approved by a resolution by more than two-thirds of the Directors present at the meeting of the Board of Directors.

After the Company repurchases its shares in accordance with the aforementioned provisions, if it falls under the circumstances stated in item (I) of paragraph 3, such shares shall be canceled within 10 days from the date of repurchase; if it falls under the circumstances stated in items (II) and (IV) of paragraph 3, such shares shall be transferred or canceled within six months; if it falls under the circumstances stated in items (III), (V) and (VI) of paragraph 3, the total number of shares held by the Company shall not exceed 10% of the Company's total issued shares, and such shares shall be transferred or canceled within three years. If it is otherwise specified in laws, regulations, or regulatory rules in the jurisdiction where the Company's shares are listed on the aforementioned circumstances, such provisions shall prevail.

After the Company repurchases its own H shares in accordance with the aforementioned provisions, it may, at its discretion, cancel them immediately or hold them as treasury shares in accordance with the Hong Kong Listing Rules (《香港上市規則》).

If the Company repurchases its own shares, it shall fulfill its information disclosure obligations in accordance with the Securities Law (《證券法》) and the securities regulatory rules in the jurisdiction where the Company's shares are listed.

TRANSFER OF SHARES

Shares issued by the Company prior to its public offering of A shares shall not be transferred within one year from the date on which the Company's A shares are listed and traded on a stock exchange.

The Directors and senior managers of the Company shall declare to the Company the number of shares held by them and subsequent changes in their shareholdings. During their term of office, as determined at the time of appointment, the number of shares transferred each year shall not exceed 25% of the total number of the Company's shares of the same class held by them. The Company's shares held by them shall not be transferred within one year from the date of listing and trading of the Company's shares. The shares of the Company held by them shall not be transferred within six months after their resignation. If it is otherwise specified in the listing rules in the jurisdiction where the Company's shares are listed regarding the restrictions on the transfer of the Company's shares, such provisions shall prevail.

The Company's Directors, senior managers, and shareholders holding more than 5% of the Company's shares (excluding shareholders who are recognized clearing houses and their nominees), if they have sold the shares of the Company or other securities with an equity nature held by them within six months after purchasing, or if they have purchased such shares or securities again within six months after selling them, the gains obtained therefrom shall be attributed to the Company and be forfeited by the Board. However, securities companies holding more than 5% of the shares due to the purchase of the remaining shares after underwriting, and other circumstances stipulated by the CSRC are excluded. If it is otherwise specified in the listing rules in the jurisdiction where the Company's shares are listed regarding the restrictions on the transfer of the Company's shares, such provisions shall prevail.

The shares or other securities with an equity nature held by Directors, senior managers, and natural person shareholders as mentioned in the preceding paragraph shall include the shares or other securities with an equity nature held by their spouses, parents, children and those held in the accounts of others.

If the Board of Directors does not comply with the provisions of the preceding paragraph, shareholders shall have the right to request the Board of Directors to do so within 30 days. If the Board of Directors fails to follow the aforementioned deadline, shareholders shall have the right to file a lawsuit directly with the people's court in their own names in the interest of the Company.

If the Board of Directors does not comply with the provisions of paragraph 1, the responsible Directors shall be jointly and severally liable in accordance with the laws.

SHAREHOLDERS AND GENERAL MEETINGS

Shareholders

The Company shall maintain a register of members based on the vouchers provided by the securities registration and settlement authority. The register of members shall be the sufficient evidence proving the shareholders' holding of the Company's shares. The original register of members for H shares listed in Hong Kong shall be kept in Hong Kong for inspection by shareholders. However, the Company may suspend shareholder registration procedures in accordance with applicable laws and regulations and the securities regulatory rules in the jurisdiction where the Company's shares are listed. Any person who is a registered shareholder or who requests his name be entered in the H-share register of members may, if his share certificate relating to the shares is lost, apply to the Company for a replacement share certificate in respect of such shares. Application by a holder of H shares, who has lost his/her share certificate, for a replacement share certificate shall be dealt with in accordance with laws, rules of the stock exchange, or other relevant provisions of the place where the original H-share register of members is kept. Shareholders shall enjoy the rights and assume the obligations according to the class of the shares they hold. Shareholders holding the same class of shares shall enjoy equal rights and assume the same obligations. For the purpose of this article, the Company's A shares and H shares shall be regarded as the same class of shares.

Shareholders of the Company shall enjoy the following rights:

(I) to receive dividends and other forms of distribution of interests in proportion to their respective shareholdings;

(II) to legally request the holding of, convene, chair, attend, or dispatch shareholder's proxy to attend the general meeting and exercise corresponding voting rights;

(III) to supervise and make recommendations or inquiries on the operation of the Company;

(IV) to transfer, bestow, or pledge the shares they hold according to laws, administrative regulations, and the Articles of Association;

(V) to inspect and copy the Articles of Association, the register of members, minutes of general meetings, resolutions of meetings of the Board of Directors, and financial accounting reports; eligible shareholders may inspect the Company's accounting books and vouchers;

(VI) to participate in the distribution of the Company's remaining assets in proportion to their shareholdings upon termination or liquidation of the Company;

(VII) to request the Company to acquire their shares if they object to a resolution of a general meeting on merger or division of the Company; and

(VIII) other rights stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules in the jurisdiction where the Company's shares are listed, or the Articles of Association.

The shareholder who requests to inspect or copy the relevant information of the Company shall comply with the provisions of the Company Law, Securities Law and other laws, administrative regulations, and the securities regulatory rules in the jurisdiction where the Company's shares are listed, and furnishes with the Company written document evidencing the class and quantity of shares he/she holds in the Company and the Company shall comply with such shareholder's request upon verification of his/her shareholder capacity.

Shareholders who separately or collectively hold more than 3% of the Company's shares for over 180 consecutive days may request to inspect the Company's accounting books and vouchers. Any such request shall be submitted to the Company in writing, stating the purpose. If the Company has reasonable grounds to believe that the shareholder's inspection of the accounting books and vouchers for an improper purpose that may harm the legitimate interests of the Company, it may refuse to provide access for inspection, and shall reply to the shareholder in writing within 15 days from the date on which the shareholder raises the written request, stating the reasons therefor. If the Company refuses to provide access for inspection, the shareholder may file a lawsuit with the people's court.

Shareholders are entitled to request the people's court to invalidate the resolution of a general meeting or a Board meeting which violates laws and administrative regulations.

Where the convening procedure or voting method of a general meeting or Board meeting contravenes laws, administrative regulations, the securities regulatory rules in the jurisdiction where the Company's shares are listed, or the Articles of Association, or the contents of the resolutions contravene the Articles of Association, shareholders shall have the right to request the people's court to cancel them within 60 days as of the date the resolutions are made, except where there are only minor defects in the convening procedure or voting method of the general meeting and the meeting of the Board of Directors, which do not materially affect the resolutions.

In the event of the violation of laws, administrative regulations or the provisions of the Articles of Association by a Director or a senior manager, who is not a member of the Audit Committee, in performing his/her duties, resulting in losses to the Company, the shareholders that solely or collectively hold 1% or more shares of the Company for a continuous period of 180 days shall have the right to make a written request to the Audit Committee to file a lawsuit with a people's court. In the event of the violation of laws, administrative regulations or the provisions of the Articles of Association by a member of the Audit Committee in performing his/her duties, resulting in losses to the Company, the aforementioned shareholders shall have the right to make a written request to the Board of Directors to file a lawsuit with a people's court.

Where the Audit Committee or the Board of Directors refuses to file a lawsuit after receiving the shareholder's written request as prescribed in the preceding paragraph, or fails to file a lawsuit within 30 days as of the date of receiving the request, or the situation is so urgent that filing no immediate lawsuit will result in irreparable losses to the Company, shareholders as prescribed in the previous paragraph shall have the right to, in their names, directly file a lawsuit with a people's court for the interests of the Company.

Shareholders of the Company shall assume the following obligations:

(I) to abide by laws, administrative regulations and the Articles of Association;

(II) to pay subscription monies according to the number of shares subscribed and the method of subscription;

(III) not to withdraw their share capitals except for the circumstances set out in laws and administrative regulations;

(IV) not to damage the interests of the Company or other shareholders by abusing the shareholders' rights; nor damage the interests of the creditors of the Company by abusing the independent status of the Company as a legal person and the limited liability of shareholders;

(V) any other obligations imposed by laws, administrative regulations, the securities regulatory rules in the jurisdiction where the Company's shares are listed, and the Articles of Association.

CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLERS

The controlling shareholders and de facto controllers of the Company shall exercise their rights and perform their obligations in accordance with laws, administrative regulations, the provisions of the securities regulatory authority and stock exchange in the jurisdiction where the Company's shares are listed, and protect the Company's interests.

The Company's controlling shareholders and de facto controllers shall comply with the following provisions:

(I) to lawfully exercise shareholder rights, and not to abuse their controlling power or use related relationships to harm the legitimate rights and interests of the Company or other shareholders;

(II) to strictly fulfill public statements and various commitments made, and not to alter or waive them without authorization;

(III) to strictly fulfill information disclosure obligations in accordance with relevant provisions, actively cooperate with the Company in its information disclosure efforts, and promptly inform the Company of significant events that have occurred or are proposed to occur;

(IV) not to occupy Company funds in any manner;

(V) not to compel, instruct, or request the Company and relevant personnel to provide guarantees in violation of laws or regulations;

(VI) not to seek benefits by using the Company's non-public material information, not to disclose any non-public material information related to the Company in any manner, and not to engage in insider trading, short-swing trading, market manipulation, or other illegal and non-compliant acts;

(VII) not to harm the legitimate rights and interests of the Company and other shareholders through unfair related transactions, profit distribution, asset restructuring, external investments, or any other means;

(VIII) to ensure the Company's asset integrity, personnel independence, financial independence, institutional independence and business independence and not to affect the Company's independence in any manner;

(IX) other provisions of laws, administrative regulations, the securities regulatory rules in the jurisdiction where the Company's shares are listed, the business rules of the stock exchange and the Articles of Association.

If the Company's controlling shareholders or de facto controllers do not serve as Directors of the Company but actually perform Company affairs, the provisions of the Articles of Association regarding the fiduciary duties and diligence obligations of Directors shall apply.

If the Company's controlling shareholder or de facto controller instructs a Director or a senior manager to engage in behavior that damages the interests of the Company or shareholders, he/she shall be jointly and severally liable with such Director or senior manager.

GENERAL PROVISIONS OF GENERAL MEETINGS

The general meeting of the Company is composed of all shareholders. It is the Company's organ of power and shall exercise the following functions and powers in accordance with the law:

(I) to elect and replace Directors, and to decide on matters relating to their remuneration;

(II) to review and approve the reports of the Board of Directors;

(III) to review and approve the profit distribution plans and loss recovery plans of the Company;

(IV) to make resolutions on the increase or reduction of the Company's registered capital;

(V) to make resolutions on the issuance of corporate bonds;

(VI) to make resolutions on the merger, division, dissolution, liquidation or transformation of the Company;

(VII) to amend the Articles of Association;

(VIII) to make resolutions on the appointment or dismissal of accounting firms undertaking the Company's audit business;

(IX) to review and approve the guarantee matters set out in Article 47 of the Articles of Association;

(X) to review the purchase or disposal of material assets by the Company with an aggregate value exceeding 30% of the Company's audited total assets for the latest period within one year;

(XI) to review and approve the change in use of funds raised;

(XII) to review the equity incentive scheme and employee share scheme;

(XIII) to review transactions (including one-off transactions and a series of transactions that are required to be aggregated for the purpose of percentage ratio calculation) with percentage ratios of not less than 25% and connected transactions (including one-off transactions and a series of transactions that are required to be aggregated for the purpose of percentage ratio calculation) with percentage ratios of not less than 5%, as calculated in accordance with provisions regarding percentage ratios in Article 14.07 of the Hong Kong Listing Rules;

(XIV) to review and approve matters regarding transactions (excluding transactions where the Company unilaterally receives benefits and transactions that involve provision of guarantees) between the Company and related parties with an amount (including liabilities and expenses) of over RMB30 million and representing more than 5% of the absolute value of the Company's audited net assets for the latest period;

(XV) to authorize the Board of Directors to decide on the issuance of shares to specific parties at the Company's annual general meeting, with a total financing amount not exceeding RMB300 million and not exceeding 20% of the net assets at the end of the most recent financial year. This authorization shall expire on the date when the next annual general meeting is held;

(XVI) to review other matters that shall be resolved at the general meeting according to laws, administrative regulations, departmental rules, the securities regulatory rules in the jurisdiction where the Company's shares are listed or the Articles of Association.

The Company may, by a resolution of the general meeting, or by a resolution of the Board of Directors authorized by the Articles of Association or the general meeting, issue shares and corporate bonds convertible into shares. The specific implementation shall comply with the provisions of laws, administrative regulations and provisions of the securities regulatory authority and stock exchange in the jurisdiction where the Company's shares are listed.

Unless otherwise provided by laws, administrative regulations, the securities regulatory rules in the jurisdiction where the Company's shares are listed, or the Articles of Association, the aforementioned functions and powers of the general meeting shall not be exercised by the Board of Directors or other organizations and individuals through authorization.

The following external guarantees made by the Company shall be approved by the general meeting:

(I) any guarantee provided after the total amount of external guarantees provided by the Company and its controlling subsidiaries reaches or exceeds 50% of the audited net assets for the latest period;

(II) any guarantee provided after the total amount of external guarantees provided by the Company reaches or exceeds 30% of the audited total assets for the latest period;

(III) the guarantee provided to the guaranteed object with a debt-to-asset ratio of more than 70%;

(IV) any single guarantee whose amount exceeds 10% of the audited net assets for the latest period;

(V) any guarantee where the cumulative amount calculated over a continuous twelve-month period exceeds 30% of the Company's audited total assets for the latest period;

(VI) any guarantee where the guaranteed amount within a continuous twelve-month period exceeds 50% of the Company's audited net assets for the latest period, and the absolute amount exceeds RMB50 million;

(VII) any guarantee provided to shareholders, de facto controllers or their related parties;

(VIII) other guarantee matters that, according to laws, administrative regulations, departmental rules, the securities regulatory rules in the jurisdiction where the Company's shares are listed, or the Articles of Association, shall be decided at the general meeting.

When the general meeting of the Company reviews the guarantee specified in item (V) of the preceding paragraph, it shall be approved by shareholders representing more than two-thirds of the voting rights at the meeting.

General meetings shall be classified into annual general meetings ("**AGMs**") and extraordinary general meetings ("**EGMs**"). The AGM shall be held once a year, and shall be held within six months after the end of the preceding fiscal year.

The Company shall hold an EGM within two months under any of the following circumstances:

(I) when the number of Directors is below the quorum specified in the Company Law or two-thirds of the number required by the Articles of Association;

(II) when the uncovered loss of the Company reaches one-third of the total share capital of the Company;

(III) upon requests by shareholders individually or collectively holding more than 10% of the total number of the Company's shares;

(IV) when the Board of Directors considers it necessary;

(V) when the Audit Committee proposes such a meeting;

(VI) other circumstances required by laws, administrative regulations, departmental rules, the securities regulatory rules in the jurisdiction where the Company's shares are listed or the Articles of Association.

CONVENING OF GENERAL MEETINGS

The Board of Directors shall convene general meetings on time within the prescribed period. With the consent of more than half of all independent Directors, independent Directors shall have the right to propose to the Board of Directors to hold an EGM. Regarding the proposal of the independent Directors to hold an EGM, the Board of Directors shall, pursuant to laws, administrative regulations, the securities regulatory rules in the jurisdiction where the Company's shares are listed and the Articles of Association, reply in writing regarding the acceptance or refusal to hold the EGM within 10 days upon receipt of the proposal. If the Board of Directors agrees to hold an EGM, the Board of Directors shall, within five days after the Board resolution is made, issue a notice for holding the meeting. If the Board of Directors does not agree to hold such meeting, reasons shall be explained and announced.

The Audit Committee shall propose to the Board of Directors to hold an EGM in writing. The Board of Directors shall, in accordance with the provisions of laws, administrative regulations, the securities regulatory rules in the jurisdiction where the Company's shares are listed and the Articles of Association, reply in writing regarding the acceptance or refusal to hold the EGM within 10 days upon receipt of the proposal.

If the Board of Directors agrees to hold an EGM, the Board of Directors shall, within five days after the Board resolution is made, issue a notice for holding the meeting. Any amendments to the original proposals in the notice shall be agreed by the Audit Committee.

If the Board of Directors does not agree to hold an EGM or does not reply in writing within 10 days upon receiving the proposal, the Board of Directors will be considered as unable to or failed to fulfill the obligation to convene general meetings, and the Audit Committee may convene and preside over the EGM on its own.

Shareholders who individually or collectively hold more than 10% of the Company's shares shall have the right to request the Board of Directors to hold an EGM, and shall make such request in writing. The Board of Directors shall, in accordance with the provisions of laws, administrative regulations, the securities regulatory rules in the jurisdiction where the Company's shares are listed and the Articles of Association, reply in writing regarding the acceptance or refusal to hold the EGM within 10 days upon receipt of the request.

If the Board of Directors agrees to hold an EGM, it shall issue a notice for holding the general meeting within five days after making the Board resolution. Any amendments to the original request in the notice shall be agreed by relevant shareholders.

If the Board of Directors does not agree to hold an EGM or does not reply in writing within 10 days upon receiving the request, shareholders who individually or collectively hold more than 10% of the Company's shares may propose to the Audit Committee to convene an EGM, and shall submit their request to the Audit Committee in writing.

If the Audit Committee agrees to hold an EGM, it shall issue a notice for holding the general meeting within five days upon receipt of the request. Any amendments to the original request in the notice shall be agreed by relevant shareholders.

If the Audit Committee fails to issue a notice of the general meeting within the prescribed period, it shall be deemed that the Audit Committee refuses to convene and preside over a general meeting, and in this case, shareholders who individually or collectively hold more than 10% of the Company's shares for more than 90 consecutive days may convene and preside over such meeting on its own.

Where the Audit Committee or shareholders decide to convene a general meeting by themselves, they shall notify the Board of Directors in writing, and complete the necessary filings or announcements in accordance with the securities regulatory rules and stock exchange provisions in the jurisdiction where the Company's shares are listed.

When the Audit Committee and the convening shareholders issue the notice of the general meeting and the announcement of the general meeting resolutions, they shall, in accordance with the securities regulatory rules and stock exchange provisions in the jurisdiction where the Company's shares are listed, submit relevant supporting documents, and complete the necessary filings or announcements.

Before the announcement of the general meeting resolutions, the shareholding ratio of the convening shareholders shall not be less than 10%.

For general meetings convened by the Audit Committee or shareholders themselves, the Board of Directors and secretary of the Board of Directors shall cooperate. The Board of Directors shall provide the register of members as of the record date.

PROPOSALS AND NOTICES OF GENERAL MEETINGS

The proposal contents shall be within the scope of the functions and powers of the general meeting, have definite topics and specific matters for resolution, as well as comply with the relevant provisions of laws, administrative regulations, the securities regulatory rules in the jurisdiction where the Company's shares are listed and the Articles of Association.

When the Company holds a general meeting, the Board of Directors, the Audit Committee, and shareholders individually or jointly holding more than 1% of the Company's shares shall have the right to submit proposals to the Company.

Shareholders who individually or collectively hold more than 1% of the Company's shares may propose an extraordinary proposal to the convener in writing 10 days before the holding of such general meeting. The convener shall, within two days after the receipt of the proposal, issue a supplementary notice of the general meeting to announce the contents of the extraordinary proposal and submit the proposal to the general meeting for review. However, this shall not apply where the extraordinary proposal violates laws, administrative regulations, securities regulatory rules in the jurisdiction where the Company's shares are listed or the Articles of Association, or if it does not fall within the scope of functions and powers of the general meeting. If, according to the securities regulatory rules in the jurisdiction where the Company's shares are listed, the general meeting needs to be postponed due to the issuance of a supplementary notice for the general meeting, such postponement shall be in accordance with the securities regulatory rules in the jurisdiction where the Company's shares are listed.

Except for the circumstances stipulated in the preceding paragraph, the convener shall neither revise the proposals set out in the notice of general meetings nor add new proposals after issuing the notice of general meeting.

Proposals not set out in the notice of general meetings or not in compliance with the Articles of Association shall not be voted on or resolved at the general meeting.

The convener will notify all shareholders of an AGM by way of announcement 21 days prior to the convening thereof, and notify all shareholders of an EGM by way of announcement 15 days prior to the holding thereof. When the Company calculates the commencement period, the date on which the meeting is held shall not be included.

The notice of the general meeting shall include the following particulars:

(I) the time, venue and duration of the meeting;

(II) the matters and proposals to be reviewed at the meeting;

(III) a conspicuous statement: All shareholders shall have the right to attend the general meeting and they may appoint a proxy or proxies in writing to attend and vote at such meeting. A proxy so appointed does not need to be a shareholder of the Company.

(IV) the record dates of shareholders who are entitled to attend the general meeting;

(V) the name and telephone number of the regular contact person for the meeting;

(VI) voting time and voting procedures through Internet or other means.

The notice and the supplementary notice of the general meeting shall fully and completely disclose all the specific content of all proposals.

HOLDING OF GENERAL MEETINGS

All shareholders registered at the record date or their proxies shall have the right to attend the general meeting and exercise their voting rights in accordance with relevant laws, administrative regulations, the securities regulatory rules in the jurisdiction where the Company's shares are listed and the Articles of Association.

The general meeting is presided over by the chairman. If the chairman is unable to perform or does not perform his/her duties, the meeting shall be presided over by the vice chairman. If the vice chairman is unable to perform or does not perform his/her duties, the meeting shall be presided over by a Director jointly elected by more than half of the Directors.

A general meeting convened by the Audit Committee itself shall be presided over by the convener of the Audit Committee. If the convener of the Audit Committee is unable to perform or does not perform his/her duties, the meeting shall be presided over by a member of the Audit Committee jointly elected by more than half of the members of the Audit Committee.

A general meeting convened by shareholders themselves shall be presided over by the convener or a representative elected by the convener.

The Company shall formulate the Procedural Rules for General Meetings, and specify the convening, holding and voting procedures of the general meeting, including notice, registration, review of proposals, voting, counting of votes, announcement of voting results, formation of resolutions of the meeting, minutes of the meeting and signing and announcement thereof, as well as the principle of authorization of the general meeting to the Board of Directors. The content of authorization shall be clear and specific. The Procedural Rules for General Meetings shall be annexed to the Articles of Association and shall be prepared by the Board of Directors and approved at the general meeting.

VOTING AND RESOLUTIONS AT GENERAL MEETINGS

The resolutions of a general meeting shall take the form of ordinary resolutions or special resolutions. Ordinary resolutions of the general meeting shall be approved by shareholders (including their proxies) representing more than half of the voting rights at the general meeting. Special resolutions of the general meeting shall be approved by shareholders (including their proxies) representing more than two-thirds of the voting rights at the general meeting.

The following matters shall be resolved by way of ordinary resolutions at a general meeting:

(I) work reports of the Board of Directors;

(II) profit distribution plans and loss recovery plans formulated by the Board of Directors;

(III) the appointment, dismissal, remuneration and payment method with respect to the members of the Board of Directors;

(IV) other matters except those required by laws, administrative regulations, the securities regulatory rules in the jurisdiction where the Company's shares are listed or the Articles of Association to be resolved by way of special resolutions.

The following matters shall be resolved by way of special resolutions at a general meeting:

(I) increase or decrease of the Company's registered capital;

(II) separation, division, merger, dissolution and liquidation of the Company (including voluntary winding-up);

(III) amendment of the Articles of Association;

(IV) purchase and disposal of material assets by the Company within one year, or provision of a guarantee to others with an amount exceeding 30% of the Company's audited total assets for the latest period;

(V) equity incentive scheme;

(VI) changes in the profit distribution policy of the Company;

(VII) other matters required to be approved by a special resolution in accordance with laws, administrative regulations, the securities regulatory rules in the jurisdiction where the Company's shares are listed or the Articles of Association, and when the determination thereof at a general meeting by way of an ordinary resolution may have a material impact on the Company.

Shareholders (including their proxies) shall exercise their voting rights as represented by the number of voting shares held by them, and each share shall have one vote. If otherwise provided by the securities regulatory rules in the jurisdiction where the Company's shares are listed, such provisions shall prevail. If a shareholder is a recognized clearing house (or its proxy(ies)) and holds two or more votes, such shareholder (including its proxy(ies)) is not obliged to cast all such votes in favor of, against or abstaining from a resolution.

When major matters affecting the interests of minority shareholders are reviewed at a general meeting, the votes of minority shareholders shall be counted separately. The results of separate vote counting shall be disclosed publicly in a timely manner.

The Company has no voting right for the shares held by itself, and such shares are not counted toward the total number of voting shares held by shareholders present at the general meeting.

In accordance with relevant laws, regulations and the requirements of the securities regulatory rules in the jurisdiction where the Company's shares are listed, if any shareholder is required to abstain from voting on a relevant proposal, or any shareholder is restricted to vote only in favor of or against a specified proposal, then any votes cast by such shareholders or their representatives in violation of the aforementioned provisions or restrictions shall not be counted.

Where a shareholder's purchase of the Company's voting shares violates the provisions of paragraphs 1 and 2 of Article 63 of the Securities Law, the voting rights of the shares exceeding the prescribed percentage shall not be exercised within 36 months after the purchase, and such shares shall not be counted toward the total number of voting held by shareholders attending the general meeting.

The Board of Directors, independent Directors, and shareholders holding more than 1% of the voting shares of the Company, or the investor protection agency established in accordance with laws, administrative regulations, the securities regulatory rules in the jurisdiction where the Company's shares are listed, or the provisions of the CSRC can publicly solicit the voting rights from shareholders. When voting rights from shareholders are solicited, the specific voting intention and other information shall be fully disclosed to the solicitation targets. Solicitation of shareholders' voting rights in a paid or disguised manner shall be prohibited. Except for statutory conditions, the Company shall not impose restrictions on the minimum shareholding proportion against the solicitation of voting rights.

BOARD OF DIRECTORS

Directors

Directors of the Company shall be natural persons, and none of the following persons may serve as a Director of the Company:

(I) a person without capacity or with limited capacity for civil acts;

(II) a person who was sentenced to criminal punishment for the crime of corruption, bribery, encroachment or embezzlement of property or disruption of the order of socialist market economy and not more than five years have elapsed since the expiration of the enforcement period; or a person who was deprived of his/her political rights for committing a crime and not more than five years have elapsed since the expiration of the enforcement period; or a person who was given a suspended sentence and not more than two years have elapsed since the expiration of the suspended sentence;

(III) a director, factory director or manager of a company or enterprise liquidated upon bankruptcy, who was personally responsible for the bankruptcy of the company or enterprise, and not more than three years have elapsed since the date of completion of the bankruptcy liquidation;

(IV) the legal representatives of a company or enterprise that had its business licenses revoked and had been closed down by order for violation of law, for which such representatives bear individual liability, and not more than three years have elapsed since the date of revocation of such business licenses or the order for closure;

(V) a person who is listed as a defaulter by a people's court since he/she owes a large amount of debts due and unsettled;

(VI) a person who is imposed by the CSRC a ban from entering into the securities market for a period which has not yet expired;

(VII) a person who has been publicly identified by a stock exchange as unsuitable for serving as a director, senior manager or other position of a listed company for a period which has not yet expired;

(VIII) any other circumstances as prescribed by laws, administrative regulations, departmental rules, or the securities regulatory rules in the jurisdiction where the Company's shares are listed.

Elections, appointments or employment of Directors in violation of the preceding paragraphs of this Article shall be invalid. In the event that the circumstances as stipulated in this Article arise during the term of office of Directors, the Company shall dismiss the employment and cease their performance of duties.

Directors shall be elected or replaced at the general meeting and may be removed at the general meeting before the expiration of their term of office. A Director shall serve a term of three years and can be re-elected upon the expiry of the tenure, provided that independent Directors may not serve for more than six consecutive years. Before a Director's term expires, the general meeting may not remove him/her from office without cause. If it is otherwise specified in the securities regulatory rules in the jurisdiction where the Company's shares are listed regarding the re-election of Directors, such provisions shall prevail.

The term of office of a Director shall start from the date on which the Director assumes office to the expiration of the term of office of the current Board of Directors. If the term of office of a Director expires but re-election is not made in a timely manner, the said Director shall continue to perform the duties as a Director pursuant to laws, administrative regulations, departmental rules, the securities regulatory rules in the jurisdiction where the Company's shares are listed and the Articles of Association until a new Director is elected.

A Director may be a senior manager concurrently, provided that the total number of Directors who concurrently serve as senior managers and Directors who are employee representatives shall not exceed half of the total number of Directors of the Company.

There shall be one employee representative in the Board of Directors, who shall be democratically elected by the employees of the Company through the employee representative congress, employees' general meeting or other forms. Such election does not need to be submitted to the general meeting for review.

Directors shall abide by laws, administrative regulations, the securities regulatory rules in the jurisdiction where the Company's shares are listed, and the Articles of Association, undertake fiduciary duties to the Company, take measures to avoid conflicts between their personal interests and the Company's interests, and shall not exploit their functions and powers to gain undue benefits. Directors undertake the following fiduciary duties to the Company:

(I) not to encroach upon the Company's property or embezzle the Company's funds;

(II) not to deposit the Company's assets or funds in an account opened in his/her own name or in the name of any other individual;

(III) not to offer bribes or to accept other illegal income by abusing their power;

(IV) not to, without reporting to the Board of Directors or the general meeting and obtaining approval by resolution of the Board of Directors or the general meeting in accordance with the Articles of Association, directly or indirectly enter into contracts with, or conduct transactions with, the Company;

(V) not to take advantage of their positions to seek for themselves or others any business opportunities that should belong to the Company, except where such matters have been reported to the Board of Directors or the general meeting and approved by resolution of the general meeting, or where the Company is unable to make use of such business opportunities in accordance with laws, administrative regulations or the Articles of Association;

(VI) not to, without reporting to the Board of Directors or the general meeting and obtaining approval by resolution of the general meeting, engage in, or operate for others, businesses that are the same as or similar to the Company's business;

(VII) not to accept commissions arising from transactions between other parties and the Company as their own benefit;

(VIII) not to disclose secrets of the Company without authorization;

(IX) not to damage the interests of the Company by taking advantage of his/her related relationship;

(X) other fiduciary duties stipulated by laws, administrative regulations, departmental rules, the securities regulatory rules in the jurisdiction where the Company's shares are listed and the Articles of Association.

Any income obtained by a Director in violation of the aforementioned provisions shall belong to the Company. Where losses are caused to the Company, the Director shall be liable for compensation.

A Director may resign prior to the expiration of his or her term of office. A Director who resigns shall submit a written resignation report to the Company. The resignation shall take effect on the date the Company receives the resignation letter, and the Company shall disclose the relevant information within two trading days or within such time limit as required by the securities regulatory rules in the jurisdiction where the Company's shares are listed.

If the number of Directors of the Board of Directors falls below the quorum as a result of any resignation, or if there is no resident in Hong Kong among the independent Directors, or if the resignation of an independent Director causes the proportion of independent Directors on the Board of Directors or any special committee failing to meet the requirements of laws and regulations, or if there is no accounting professional among the independent Directors, the resignation shall take effect after a successor Director has been elected. Prior to the assumption of office by the newly elected Director, the resigning Director shall continue to perform his or her duties as a Director in accordance with laws, administrative regulations, departmental rules, the securities regulatory rules in the jurisdiction where the Company's shares are listed and the Articles of Association.

Board of Directors

The Company shall establish a Board of Directors. The Board of Directors shall consist of nine Directors, including three independent Directors. It shall include one chairman, one vice chairman and one employee representative. The chairman and the vice chairman shall be elected by the Board of Directors by a majority vote of all Directors.

The Board of Directors shall establish four special committees, namely the Strategy and ESG Committee, the Audit Committee, the Nomination Committee, and the Remuneration and Appraisal Committee. Each special committee shall be accountable to the Board of Directors and shall perform its duties in accordance with the Articles of Association and the authorization of the Board of Directors. Proposals put forward by the special committees shall be submitted to the Board of Directors for review and decision. The implementation rules of each special committee shall be formulated by the Board of Directors and shall become effective upon review and approval by the Board of Directors. Members of the special committees shall be elected by the Board of Directors by a majority vote of all Directors. All members of the special committees shall be Directors. A majority of the members of the Audit Committee, the Nomination Committee and the Remuneration and Appraisal Committee shall be independent Directors, who shall also serve as the convener of each such committee.

The Board shall exercise the following functions and powers:

(I) to convene general meetings and report to general meetings;

(II) to implement the resolutions of general meetings;

(III) to decide business operation plans and investment plans of the Company;

(IV) to formulate the profit distribution plans and loss recovery plans of the Company;

(V) to formulate plans of the Company regarding increase or reduction of the registered capital, issuance of bonds or other securities and listing;

(VI) to formulate plans for the Company's material acquisitions, repurchase of the Company's shares, or merger, division, dissolution and transformation of corporate form;

(VII) to decide, within the scope of authorization granted by the general meeting, on matters including the Company's external investments, acquisition and disposal of assets, asset pledges, external guarantees, entrusted wealth management, related transactions and external donations;

(VIII) to decide on the establishment of the Company's internal management structure;

(IX) to appoint or dismiss the general manager or the secretary of the Board of Directors; to appoint or dismiss senior managers such as deputy general manager and chief financial officer according to the nomination of the general manager, and determine their remuneration, rewards, and punishments;

(X) to formulate the Company's basic management system;

(XI) to formulate proposals for amendment to the Articles of Association;

(XII) to manage the information disclosure of the Company;

(XIII) to propose to the general meeting the appointment or change of the accounting firm acting as the auditors of the Company;

(XIV) to review the work report of the general manager of the Company and the work of the general manager;

(XV) to decide on the repurchase of the Company's shares under the circumstances specified in items (III), (V) and (VI) of Article 25 of the Articles of Association;

(XVI) other functions and powers as granted by laws, administrative regulations, departmental rules, the securities regulatory rules in the jurisdiction where the Company's shares are listed, the Articles of Association, or the general meeting.

Matters exceeding the scope of authorization by the general meeting shall be submitted to the general meeting for review.

The Board of Directors shall hold at least four regular meetings each year. Such meetings shall be convened by the chairman, who shall give written notice to all Directors at least 14 days prior to the meeting.

Shareholders representing more than one-tenth of the voting rights, more than one-third of the Directors, or the Audit Committee may propose the holding of an extraordinary Board meeting. The chairman shall, within 10 days after receipt of such proposal, convene and preside over the meeting of the Board of Directors.

A meeting of the Board of Directors shall not be held unless more than half of the Directors are present. Resolutions made by the Board of Directors must be approved by a majority vote of all Directors.

Each Director shall have one vote for the resolutions of the Board of Directors.

Where a Director has a related relationship with an enterprise or individual involved in a matter to be considered by a resolution of the Board of Directors, such Director shall promptly submit a written report to the Board of Directors. A Director having such a related relationship shall not exercise voting rights on the relevant resolution, nor shall he or she vote on behalf of any other Director. Such meetings of the Board of Directors may be held if more than half of the non-related Directors are present, and resolutions made at such meetings of the Board of Directors must be approved by more than half of the non-related Directors. If the number of non-related Directors present at the Board meeting is less than three, the matter shall be submitted to the general meeting for review. If laws, regulations or the securities regulatory rules in the jurisdiction where the Company's shares are listed impose additional restrictions on Directors' participation in Board meetings and voting, such provisions shall prevail.

Independent Directors

Independent Directors shall diligently perform their duties in accordance with laws, administrative regulations, the provisions of the CSRC and the stock exchange where the Company's shares are listed and the Company's Articles of Association. They shall play a role in decision-making, oversight, checks and balances, and professional advice within the Board of Directors, safeguard the overall interests of the Company and protect the legitimate rights and interests of minority shareholders.

Independent Directors must maintain independence. The following persons shall not serve as independent Directors:

(I) persons holding positions in the Company or its affiliated enterprises, and their spouses, parents, children and individuals having major social relationships with them;

(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 of the Company, and their spouses, parents and children;

(III) persons employed by shareholders who directly or indirectly hold more than 5% of the Company's issued shares or are among the Company's top five shareholders, and their spouses, parents and children;

(IV) persons employed by affiliated enterprises of the Company's controlling shareholder or de facto controller, and their spouses, parents and children;

(V) persons who have significant business dealings with the Company and its controlling shareholder, de facto controller or their respective affiliated enterprises, or persons employed by entities having significant business dealings with the Company and their controlling shareholders or de facto controllers;

(VI) persons who provide financial, legal, consulting, sponsorship or other services to the Company, its controlling shareholder, de facto controller or their respective affiliated enterprises, including but not limited to all project team members, review personnel at all levels, signatories on reports, partners, directors, senior managers and principal responsible persons of the intermediary institutions providing such services;

(VII) persons who have been in any of the circumstances listed in items (I) to (VI) above within the last 12 months;

(VIII) other persons who are deemed not independent under laws, administrative regulations, the provisions of the CSRC, the rules of the stock exchange where the Company's shares are listed, and the Articles of Association.

Independent Directors shall conduct an annual self-assessment of their independence status and submit the results to the Board of Directors. The Board of Directors shall annually assess the independence status of incumbent independent Directors and issue a special opinion, which shall be disclosed together with the annual report.

A person serving as an independent Director of the Company shall meet the following conditions:

(I) possess the qualifications to serve as a Director of a listed company in accordance with laws, administrative regulations, the securities regulatory rules in the jurisdiction where the Company's shares are listed, and other relevant provisions;

(II) meet the independence requirements stipulated in the Articles of Association;

(III) possess basic knowledge of the operations of a listed company and be familiar with relevant laws, regulations and rules;

(IV) have more than five years of work experience in fields such as law, accounting or economics necessary for performing the duties of an independent Director;

(V) possess good personal integrity with no record of serious dishonesty or other negative records;

(VI) other conditions stipulated by laws, administrative regulations, the provisions of the CSRC, the rules of the stock exchange where the Company's shares are listed, and the Articles of Association.

The Company shall establish a special meeting mechanism exclusively composed of independent Directors. Matters such as related transactions to be considered by the Board of Directors shall be approved by a special meeting of independent Directors in advance.

The Company shall convene special meetings of independent Directors regularly or as needed. Matters listed in items (I) to (III) of the first paragraph of Article 131 and those in Article 132 of the Articles of Association shall be reviewed by a special meeting of independent Directors.

Special meetings of independent Directors may discuss other matters of the Company as needed.

Special meetings of independent Directors shall be convened and presided over by an independent Director jointly elected by more than half of the independent Directors. If the convener fails to perform or is unable to perform his/her duties, two or more independent Directors may convene the meeting themselves and elect a representative to preside.

Special meetings of independent Directors shall have meeting minutes prepared as required, and the opinions of the independent Directors shall be recorded in the meeting minutes. Independent Directors shall sign to confirm the meeting minutes.

The Company shall provide convenience and support for the convening of special meetings of independent Directors.

Special Committees of the Board of Directors

The Company's Board of Directors shall establish an Audit Committee, which shall exercise the functions and powers of the Supervisory Committee as stipulated in the Company Law.

The Audit Committee shall consist of three members, who shall be Directors not holding senior management positions in the Company, including two independent Directors. All members shall be non-executive Directors and the convener shall be an independent Director with professional accounting expertise. At least one independent Director in the Audit Committee shall possess the appropriate professional qualifications as defined in the Hong Kong Listing Rules or have appropriate accounting or related financial management expertise.

The Audit Committee shall convene a meeting at least once every quarter. An extraordinary meeting may be convened upon the proposal of two or more members, or when the convener deems it necessary. A meeting of the Audit Committee shall be held only when more than two-thirds of its members are present.

Resolutions of the Audit Committee shall be approved by a majority of its members.

Each member of the Audit Committee shall have one vote on the resolutions.

Resolutions of the Audit Committee shall be recorded in meeting minutes as required, and members of the Audit Committee present at the meeting shall sign the meeting minutes.

The working procedures for the Audit Committee shall be formulated by the Board of Directors.

The Board of Directors may establish other special committees such as the Strategy and ESG Committee, the Nomination Committee and the Remuneration and Appraisal Committee. These committees shall perform their duties in accordance with the Articles of Association and the authorization of the Board of Directors. Proposals from these special committees shall be submitted to the Board of Directors for review and decision. The working procedures for the special committees shall be formulated by the Board of Directors.

SENIOR MANAGERS

The Company shall have one general manager who shall be appointed or dismissed by the Board of Directors.

The Company may appoint deputy general managers based on operation and management needs, who shall be appointed or dismissed by the Board of Directors.

The provisions in the Articles of Association regarding circumstances under which one cannot serve as a Director and regarding resignation management, shall apply equally to senior managers.

The provisions in the Articles of Association regarding duties of loyalty and diligence shall apply equally to senior managers.

The general manager shall serve a term of three years and may serve consecutive terms if reappointed.

The general manager shall be responsible to the Board of Directors and exercise the following functions and powers:

(I) to preside over the production, operation and management of the Company, organize the implementation of the resolutions made by the Board of Directors and report his/her work to the Board of Directors;

(II) to organize the implementation of the annual business plans and investment plans of the Company;

(III) to prepare the proposal on the establishment of the Company's internal management structure;

(IV) to draft the Company's basic management system;

(V) to formulate specific rules of the Company;

(VI) to propose to the Board of Directors to appoint or dismiss the deputy general managers and chief financial officer;

(VII) to decide to appoint or dismiss the officers other than those whose appointment or dismissal shall be decided by the Board of Directors;

(VIII) other functions and powers granted by the Articles of Association or the Board of Directors.

The general manager shall attend Board meetings.

The Company shall have a Board secretary to take charge of the preparation of the general meetings and the Board meetings, the safekeeping of documents, the management of information of shareholders, the handling of information disclosure affairs, etc.

FINANCIAL AND ACCOUNTING SYSTEMS, PROFIT DISTRIBUTION AND AUDIT

Financial and Accounting Systems

The Company shall establish the financial and accounting systems according to laws, administrative regulations, the securities regulatory rules in the jurisdiction where the Company's shares are listed, and the provisions of relevant state authorities.

The Company shall submit and disclose its annual reports to the CSRC and the stock exchange where the Company's shares are listed within four months after the end of each fiscal year, and submit and disclose its interim reports to the local office of the CSRC and the stock exchange where the Company's shares are listed within two months after the end of the first half of each fiscal year.

The aforementioned annual reports and interim reports shall be prepared in accordance with relevant laws, administrative regulations, the provisions of the CSRC and the rules of the stock exchange where the Company's shares are listed.

The Company shall not set up any other accounting books except for the statutory accounting books. The assets of the Company shall not be deposited into an account established in the name of any individual.

When the Company distributes its after-tax profits for the current year, 10% of the profits shall be allocated to the Company's statutory reserve fund. If the cumulative amount of the statutory reserve fund exceeds 50% of the Company's registered capital, no further allocation is required.

Where the statutory reserve fund of the Company is not sufficient to make up its losses in the previous years, the profits of the current year shall be used to make up the losses before funds are allocated to the statutory reserve fund according to the provisions in the preceding paragraph.

After the Company allocates funds to the statutory reserve fund from the after-tax profits, it may also allocate funds to a discretionary reserve fund from the after-tax profits upon a resolution of the general meeting.

After the Company has made up for its losses and allocated funds to the reserve fund, the remaining after-tax profits shall be distributed to shareholders in proportion to their shareholdings, unless otherwise specified in the Articles of Association.

If the general meeting distributes profits to shareholders in violation of the Company Law, shareholders shall return the profits distributed in violation to the Company. If losses are caused to the Company, shareholders, the responsible Directors and senior managers shall bear compensation liability.

The Company's shares held by the Company shall not be subject to distribution of profits.

The Company shall appoint one or more receiving proxies in Hong Kong for its H-share shareholders. The receiving proxies shall collect and hold on behalf of the relevant H-share shareholders the dividends and other amounts payable by the Company in respect of H-shares, pending payment to such H-share shareholders. The receiving proxies appointed by the Company shall comply with laws, regulations and the securities regulatory rules in the jurisdiction where the Company's shares are listed.

The Company's reserve fund shall be used to make up for the Company's losses, expand the Company's production and operations or increase the Company's registered capital.

If the reserve fund is used to make up for the Company's losses, the discretionary reserve fund and statutory reserve fund shall be used first; if they are inadequate to make up for the Company's losses, the capital reserve fund can be used in accordance with relevant regulations.

When the statutory reserve fund is converted to increase the registered capital, the remaining portion of such reserve fund shall not be less than 25% of the Company's registered capital before the conversion.

After a resolution is made by the general meeting on the profit distribution plan, the Board of Directors shall complete the distribution of dividends (or shares) within two months after the general meeting. If the specific plan cannot be implemented within two months due to laws, regulations and the securities regulatory rules in the jurisdiction where the Company's shares are listed, the implementation date of the specific plan may be adjusted accordingly in accordance with such provisions and actual circumstances.

Internal Audit

The Company shall implement an internal audit system, which specifies the leadership structure, functions and powers, staffing, funding guarantees, application of audit results and accountability for the internal audit work.

The Company's internal audit system shall be implemented upon the approval by the Board of Directors and disclosed externally.

The Company's internal audit department shall supervise and inspect the Company's business activities, risk management, internal control, financial information and other matters.

The internal audit department shall be accountable to the Board of Directors.

The internal audit department shall accept the supervision and guidance from the Audit Committee during its supervision and inspection of the Company's business activities, risk management, internal control and financial information. If the internal audit department discovers any major issues or clues, it shall report them to the Audit Committee directly and immediately.

APPOINTMENT OF AN ACCOUNTING FIRM

The Company shall appoint an accounting firm that complies with the Securities Law and the securities regulatory rules in the jurisdiction where the Company's shares are listed to audit accounting statements, verify the net assets and offer other relevant consulting services. The appointment term shall be one year and may be renewed.

The appointment or dismissal of an accounting firm by the Company shall be decided by the general meeting and the Board of Directors shall not appoint an accounting firm before a decision is made by the general meeting.

The Company undertakes to provide true and complete accounting vouchers, accounting books, financial accounting reports and other accounting materials to the appointed accounting firm and shall not refuse to provide, conceal or make false reports.

The audit fees of the accounting firm shall be decided by the general meeting.

When the Company dismisses or stops renewing the appointment of an accounting firm, it shall give a 30-day prior notice to the accounting firm and the accounting firm shall be allowed to make its representation at the general meeting where a voting process concerning the dismissal of the accounting firm is carried out.

Where the accounting firm tenders its resignation, it shall state at a general meeting whether there are any improper circumstances involving the Company.

MERGER, DIVISION, CAPITAL INCREASE, CAPITAL REDUCTION, DISSOLUTION AND LIQUIDATION

Merger, Division, Capital Increase and Capital Reduction

A merger of the Company may take the form of merger by absorption or merger by new establishment.

When a company absorbs other companies, it is a merger by absorption and the absorbed company is dissolved. When two or more companies merge to form a new company, it is a merger by new establishment and the merging parties are dissolved.

If the price paid by the Company for a merger does not exceed 10% of the Company's net assets, approval by a resolution of the general meeting may not be required unless otherwise provided in the Articles of Association. Where a merger under the preceding paragraph does not require a resolution of the general meeting, it shall be subject to approval by a resolution of the Board of Directors.

In the case of a merger, parties to the merger shall enter into a merger agreement and prepare a balance sheet and an inventory of assets. The Company shall notify its creditors within 10 days from the date of the merger resolution, and make an announcement within 30 days on the media designated by the Company or the National Enterprise Credit Information Publicity System and websites (including the Hong Kong Stock Exchange's website (**www.hkexnews.hk**)).

Creditors may, within 30 days from the date of receiving the notice, or within 45 days from the date of the announcement for those who have not received the notice, require the Company to settle its debts in full or provide the corresponding guarantee.

In a merger, the claims and debts of the merging parties shall be assumed by the surviving company or the newly established company after the merger.

If the Company is divided, its assets shall be divided accordingly.

In the case of a division, a balance sheet and an inventory of assets shall be prepared. The Company shall notify its creditors within 10 days from the date of the division resolution, and make an announcement within 30 days on the media designated by the Company or the National Enterprise Credit Information Publicity System and websites (including the Hong Kong Stock Exchange's website (**www.hkexnews.hk**)).

Debts owed by the Company prior to the division shall be jointly and severally assumed by the companies in existence after the division, unless otherwise agreed in a written agreement between the Company and the creditors prior to the division regarding debt repayment.

When reducing its registered capital, the Company shall prepare a balance sheet and an inventory of assets.

The Company shall notify its creditors within 10 days from the date of the resolution to reduce the registered capital, and make an announcement within 30 days on the media designated by the Company or the National Enterprise Credit Information Publicity System and websites (including the Hong Kong Stock Exchange's website (**www.hkexnews.hk**)). Creditors may, within 30 days from the date of receiving the notice, or within 45 days from the date of announcement for those who have not received the notice, be entitled to require the Company to settle its debts in full or provide the corresponding guarantee.

When the Company reduces its registered capital, it shall reduce its capital contribution or shares in proportion to the shareholders' shareholdings, unless otherwise provided by laws or the Articles of Association.

If the registered capital is reduced in violation of the Company Law or other relevant regulations, shareholders shall return the funds received and any reduction of capital contribution by shareholders shall be restored to its original amount. If losses are caused to the Company, shareholders and the responsible Directors and senior managers shall be held liable for compensation.

In the case of a merger or division that results in changes in registration matters, the Company shall complete the change registration with the company registration authority in accordance with laws. In the case of a dissolution, the Company shall complete the company deregistration in accordance with laws. In the case of a new company establishment, the Company shall complete the establishment registration in accordance with laws.

Any increase or decrease of the Company's registered capital shall be registered with the company registration authority in accordance with laws.

DISSOLUTION AND LIQUIDATION

The Company shall be dissolved for the following reasons:

(I) the term of business stipulated in the Articles of Association has expired or other events of dissolution specified in the Articles of Association have occurred;

(II) the general meeting resolves to dissolve the Company;

(III) dissolution is required due to the merger or division of the Company;

(IV) the business license is revoked, the Company is ordered to close down or its registration is canceled in accordance with laws;

(V) where the Company encounters serious difficulties in its operation and management, its continuance would cause significant losses to shareholders' interests and such difficulties cannot be resolved through other means, shareholders who hold more than 10% of the Company's total shareholders' voting rights may present a petition to a people's court to dissolve the Company.

On the occurrence of the dissolution causes set out in the preceding Article, the Company shall make an announcement of the dissolution cause through the National Enterprise Credit Information Publicity System within 10 days.

If the Company falls under items (I) and (II) of Article 187 in the Articles of Association and has not yet distributed assets to shareholders, it may continue to exist by amending the Articles of Association.

Amendments to the Articles of Association in accordance with the provisions of the preceding paragraph or by a resolution of the general meeting shall be approved by shareholders representing more than two-thirds of the voting rights present at the general meeting.

If the Company is dissolved pursuant to item (I), (II), (IV) or (V) of Article 187 in the Articles of Association, it shall be liquidated. Directors are the liquidation obligors and shall form a liquidation committee to conduct liquidation within 15 days from the date the dissolution cause occurs.

The liquidation committee shall consist of Directors, unless otherwise provided in the Articles of Association or the general meeting resolves to select other persons.

If the liquidation obligors fail to fulfill their liquidation obligations in a timely manner and cause losses to the Company or creditors, they shall be liable for compensation.

The liquidation committee shall notify creditors within 10 days from the date of its formation, and make an announcement within 60 days on the media designated by the Company or the National Enterprise Credit Information Publicity System and websites (including the Hong Kong Stock Exchange's website (**www.hkexnews.hk**)). Creditors shall, within 30 days from the date of receiving the notice, or within 45 days from the date of the announcement for those who have not received the notice, declare their claims to the liquidation committee.

When reporting creditors' rights, the creditors shall provide an explanation of matters relevant to the creditor's rights and provide the supporting evidence. The liquidation committee shall register the claims.

During the claim declaration period, the liquidation committee shall not make any repayment to creditors.

After the liquidation committee has liquidated the Company's assets and prepared a balance sheet and an inventory of assets, it shall formulate a liquidation plan and submit it to the general meeting or the people's court for confirmation.

After the payment of liquidation expenses, employees' wages, social insurance expenses and statutory compensations, outstanding taxes and the Company's debts from the Company's assets, the remaining assets shall be distributed to shareholders in proportion to their shareholdings.

During the liquidation period, the Company still exists but shall not carry out any business activities not related to the liquidation. The assets of the Company shall not be distributed to shareholders until all liabilities have been paid off in accordance with the provisions of the preceding paragraph.

If the liquidation committee, having thoroughly liquidated the Company's assets and prepared a balance sheet and an inventory of assets, finds that the Company's assets are insufficient to pay its debts in full, it shall apply to the people's court for bankruptcy liquidation in accordance with laws.

After the Company's bankruptcy application is accepted by the people's court, the liquidation committee shall transfer the liquidation matters to the bankruptcy administrator designated by the People's Court.

Upon completion of the liquidation, the liquidation committee shall prepare a liquidation report, submit it to the general meeting or the people's court for confirmation and file it with the company registration authority to apply for deregistration of the Company.

Members of the liquidation committee shall perform their liquidation obligation and bear duties of loyalty and diligence.

If members of the liquidation committee neglect their liquidation obligation and cause losses to the Company, they shall be liable for compensation.

If members of the liquidation committee cause losses to the Company or creditors intentionally or through gross negligence, they shall be liable for compensation.

If the Company is declared bankrupt in accordance with laws, bankruptcy liquidation shall be implemented in accordance with the laws on enterprise bankruptcy.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company shall amend the Articles of Association under any of following circumstances:

(I) matters provided for in the Articles of Association are in conflict with the provisions of the amended Company Law or relevant laws, administrative regulations and the securities regulatory rules in the jurisdiction where the Company's shares are listed;

(II) changes occur in the Company's circumstances, resulting in inconsistency with the matters recorded in the Articles of Association;

(III) the general meeting resolves to amend the Articles of Association.

(A) FURTHER INFORMATION ABOUT OUR GROUP

1 Incorporation

Our Company was established as a limited liability company under the laws of the PRC on March 9, 1993, and was converted into a joint stock limited company on June 17, 2013. Our Company completed the listing of our A Shares on the Shanghai Stock Exchange (stock code: 603228) in January 2017.

Our Company has established a place of business in Hong Kong at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong, and was registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on January 13, 2026. TMF Hong Kong Limited has been appointed as our agent for the acceptance of service of process and notices on behalf of our Company in Hong Kong.

As the Company was incorporated in the PRC, its operations are subject to the relevant laws and regulations of the PRC. A summary of the relevant aspects of the Articles of Association is set out in Appendix III to this prospectus.

2 Changes in Share Capital of our Company

In 2024, we granted 12,024,100 restricted shares to share incentive schemes recipients. We also repurchased and cancelled 92,600 restricted shares under the share incentive schemes. The conversions by holders of the Jing 20 Convertible Bonds increased the number of unrestricted outstanding shares by 78,710,879 shares, and the conversions by holders of the Jing 23 Convertible Bonds increased the number of unrestricted outstanding shares by 16,007 shares. As of December 31, 2024, our total share capital changed to 932,532,312 shares and the registered capital increased to RMB932,532,312.

In 2025, we repurchased and cancelled 456,848 restricted shares under the share incentive schemes and granted 2,129,800 restricted shares to share incentive schemes recipients. We increased the number of unrestricted outstanding shares by 2,412,752 shares due to exercises during the first exercise period of the initial grant of stock options under the 2024 Share Option and Restricted Share Incentive Plan. The conversions by holders of the Jing 23 Convertible Bonds increased the number of unrestricted outstanding shares by 48,194,477 shares. As of December 31, 2025, our total share capital changed to 984,812,493 shares and the registered capital increased to RMB984,812,493.

In 2026, we increased the number of unrestricted outstanding shares by 16,511,548 due to exercises of stock options under the Share Option and Restricted Share Incentive Plans. As of the Latest Practicable Date, our total share capital changed to 1,001,324,041 shares and the registered capital increased to RMB1,001,324,041.

Save as disclosed above, there has been no alteration in the share capital of our Company within the two years immediately preceding the date of this prospectus.

3 Changes in Share Capital of our Subsidiaries

On September 25, 2024, Kinwong Electronic Technology (Ganzhou) Co., Ltd. (景旺電子科技(贛州)有限公司) increased its registered capital from RMB200,000,000 to RMB500,000,000. On November 12, 2024, it increased its registered capital from RMB500,000,000 to RMB700,000,000.

On August 25, 2025, Zhuhai Kinwong Investment Co., Ltd. (珠海景旺投資有限公司) increased its registered capital from RMB30,000,000 to RMB41,000,000.

Save as disclosed above, there has been no alteration in the share capital of our subsidiaries within the two years immediately preceding the date of this prospectus.

4 Resolutions Passed by Our Shareholders' General Meeting in Relation to the Global Offering

At the extraordinary general meeting of the Shareholders held on December 25, 2025, the following resolutions, among other things, were duly passed:

(a) the issue by the Company of H Shares with a nominal value of RMB1.00 each and such H Shares be listed on the Hong Kong Stock Exchange;

(b) the number of H Shares to be issued shall not exceed 10% of the enlarged share capital of our Company upon completion of the Global Offering;

(c) subject to the completion of the Global Offering, the Articles of Association have been approved and adopted, which shall only become effective on the Listing Date, and our Board has been authorized to amend the Articles of Association in accordance with any comments from the Stock Exchange and the relevant PRC regulatory authorities; and

(d) authorizing our Board and its authorized persons to handle all relevant matters relating to, among other things, the Global Offering, the issue of H Shares and the Listing.

(B) FURTHER INFORMATION ABOUT OUR BUSINESS

1 Summary of Material Contracts

The following are contracts (not being contracts entered into in the ordinary course of business) entered into by any member of our Group within the two years immediately preceding the date of this prospectus that are or may be material:

(a) the Hong Kong Underwriting Agreement;

(b) a cornerstone investment agreement dated 17 September 2026 entered into among the Company, CPE Redwood Investment Limited, CITIC Securities (Hong Kong) Limited, Merrill Lynch (Asia Pacific) Limited, Guolian Securities International Capital Market Co., Limited, CLSA Limited and Guolian Securities International Capital Co., Limited, pursuant to which CPE Redwood Investment Limited agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$50,000,000 in accordance with the terms of the cornerstone investment agreement;

(c) a cornerstone investment agreement dated 17 September 2026 entered into among the Company, VERTEXVEST HOLDING PTE. LTD., CITIC Securities (Hong Kong) Limited, Merrill Lynch (Asia Pacific) Limited, Guolian Securities International Capital Market Co., Limited, CLSA Limited and Guolian Securities International Capital Co., Limited, pursuant to which VERTEXVEST HOLDING PTE. LTD. agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$50,000,000 in accordance with the terms of the cornerstone investment agreement;

(d) a cornerstone investment agreement dated 17 September 2026 entered into among the Company, HONG KONG MASON ELECTRONICS CO., LIMITED (香港麥遜電子有限公司), CITIC Securities (Hong Kong) Limited, Merrill Lynch (Asia Pacific) Limited, Guolian Securities International Capital Market Co., Limited, CLSA Limited and Guolian Securities International Capital Co., Limited, pursuant to which HONG KONG MASON ELECTRONICS CO., LIMITED (香港麥遜電子有限公司) agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$50,000,000 in accordance with the terms of the cornerstone investment agreement;

(e) a cornerstone investment agreement dated 17 September 2026 entered into among the Company, Cambridge Industries Group Telecommunication Limited, CITIC Securities (Hong Kong) Limited, Merrill Lynch (Asia Pacific) Limited, Guolian Securities International Capital Market Co., Limited, CLSA Limited and Guolian Securities International Capital Co., Limited, pursuant to which Cambridge Industries Group Telecommunication Limited agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$30,000,000 in accordance with the terms of the cornerstone investment agreement;

(f) a cornerstone investment agreement dated 17 September 2026 entered into among the Company, CloudAlpha Capital Management Limited, CITIC Securities (Hong Kong) Limited, Merrill Lynch (Asia Pacific) Limited, Guolian Securities International Capital Market Co., Limited, CLSA Limited and Guolian Securities International Capital Co., Limited, pursuant to which CloudAlpha Capital Management Limited agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$25,000,000 in accordance with the terms of the cornerstone investment agreement;

(g) a cornerstone investment agreement dated 17 September 2026 entered into among the Company, E Fund Management Co., Ltd., CITIC Securities (Hong Kong) Limited, Merrill Lynch (Asia Pacific) Limited, Guolian Securities International Capital Market Co., Limited, CLSA Limited and Guolian Securities International Capital Co., Limited, pursuant to which E Fund Management Co., Ltd. agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$16,500,000 in accordance with the terms of the cornerstone investment agreement;

(h) a cornerstone investment agreement dated 17 September 2026 entered into among the Company, E Fund Management (Hong Kong) Co., Ltd., CITIC Securities (Hong Kong) Limited, Merrill Lynch (Asia Pacific) Limited, Guolian Securities International Capital Market Co., Limited, CLSA Limited and Guolian Securities International Capital Co., Limited, pursuant to which E Fund Management (Hong Kong) Co., Ltd. agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$8,500,000 in accordance with the terms of the cornerstone investment agreement;

(i) a cornerstone investment agreement dated 17 September 2026 entered into among the Company, Bosera Asset Management (International) Co., Limited, CITIC Securities (Hong Kong) Limited, Merrill Lynch (Asia Pacific) Limited, Guolian Securities International Capital Market Co., Limited, CLSA Limited and Guolian Securities International Capital Co., Limited, pursuant to which Bosera Asset Management (International) Co., Limited agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$20,000,000 in accordance with the terms of the cornerstone investment agreement;

(j) a cornerstone investment agreement dated 17 September 2026 entered into among the Company, Seven Grand Managers, LLC, CITIC Securities (Hong Kong) Limited, Merrill Lynch (Asia Pacific) Limited, Guolian Securities International Capital Market Co., Limited, CLSA Limited and Guolian Securities International Capital Co., Limited, pursuant to which Seven Grand Managers, LLC agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$15,000,000 in accordance with the terms of the cornerstone investment agreement;

(k) a cornerstone investment agreement dated 17 September 2026 entered into among the Company, 3W Fund Management Limited, CITIC Securities (Hong Kong) Limited, Merrill Lynch (Asia Pacific) Limited, Guolian Securities International Capital Market Co., Limited, CLSA Limited and Guolian Securities International Capital Co., Limited, pursuant to which 3W Fund Management Limited agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$10,000,000 in accordance with the terms of the cornerstone investment agreement;

(l) a cornerstone investment agreement dated 17 September 2026 entered into among the Company, Tianhong Asset Management Co., Ltd., CITIC Securities (Hong Kong) Limited, Merrill Lynch (Asia Pacific) Limited, Guolian Securities International Capital Market Co., Limited, CLSA Limited and Guolian Securities International Capital Co., Limited, pursuant to which Tianhong Asset Management Co., Ltd. agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$10,000,000 in accordance with the terms of the cornerstone investment agreement;

(m) a cornerstone investment agreement dated 17 September 2026 entered into among the Company, Ninety One Asia Pte. Limited (in its capacity as the investment manager of, and for and on behalf of, Enreal China Master Fund and Forreal China Value Fund) ("**Ninety One Asia**"), CITIC Securities (Hong Kong) Limited, Merrill Lynch (Asia Pacific) Limited, Guolian Securities International Capital Market Co., Limited, CLSA Limited and Guolian Securities International Capital Co., Limited, pursuant to which Ninety One Asia agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$10,000,000 in accordance with the terms of the cornerstone investment agreement;

(n) a cornerstone investment agreement dated 16 September 2026 entered into among the Company, JPMorgan Asset Management (Asia Pacific) Limited, CITIC Securities (Hong Kong) Limited, Merrill Lynch (Asia Pacific) Limited, Guolian Securities International Capital Market Co., Limited, CLSA Limited and Guolian Securities International Capital Co., Limited, pursuant to which JPMorgan Asset Management (Asia Pacific) Limited agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$5,000,000 in accordance with the terms of the cornerstone investment agreement;

(o) a cornerstone investment agreement dated 17 September 2026 entered into among the Company, Baring Asset Management (Asia) Limited (in its capacity as the discretionary investment manager of certain fund(s) and investment account(s)) ("**Barings**"), CITIC Securities (Hong Kong) Limited, Merrill Lynch (Asia Pacific) Limited, Guolian Securities International Capital Market Co., Limited, CLSA Limited and Guolian Securities International Capital Co., Limited, pursuant to which Barings agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$5,000,000 in accordance with the terms of the cornerstone investment agreement; and

(p) a cornerstone investment agreement dated 17 September 2026 entered into among the Company, Kingboard Investments Limited, CITIC Securities (Hong Kong) Limited, Merrill Lynch (Asia Pacific) Limited, Guolian Securities International Capital Market Co., Limited, CLSA Limited and Guolian Securities International Capital Co., Limited, pursuant to which Kingboard Investments Limited agreed to subscribe for Offer Shares at the Offer Price in the aggregate amount of the Hong Kong dollar equivalent of US$5,000,000 in accordance with the terms of the cornerstone investment agreement.

2 Intellectual Property Rights

Save as disclosed below, as of the Latest Practicable Date, there were no other intellectual property rights which are or may be material in relation to our business.

(a) Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we consider to be or may be material to our business:

No.	Trademark	Registered Owner	Place of Registration	Class	Registration No.	Expiry Date
1 . . .	KINWONG 景旺电子	Company	Hong Kong	Class 9	353259242	2035/1/6
2 . . .	KINWONG	Company	China	Class 6	11109204	2033/11/6
3 . . .	KINWONG	Company	China	Class 9	11109293	2035/4/6
4 . . .	KINWONG	Company	China	Class 42	11109403	2035/4/6
5 . . .	景旺	Company	China	Class 6	11109528	2033/11/6
6 . . .	景旺	Company	China	Class 9	11109635	2034/7/20
7 . . .	景旺	Company	China	Class 42	11109722	2033/11/6
8 . . .	景旺	Company	China	Class 40	11135051	2033/11/13
9 . . .	KINWONG 景旺电子	Company	China	Class 6	14103957	2035/4/13
10 . .	KINWONG 景旺电子	Company	China	Class 9	14104110	2036/1/20
11 . .	KINWONG 景旺电子	Company	China	Class 9	14104110A	2035/6/6
12 . .	KINWONG 景旺电子	Company	China	Class 42	14104748A	2035/6/6
13 . .	KINWONG	Company	China	Class 6	14104870	2035/4/13
14 . .	KINWONG	Company	China	Class 9	14104972A	2035/6/6
15 . .	KINWONG	Company	China	Class 42	14105137A	2035/6/6
16 . .	KINWONG	Company	China	Class 40	14148617	2035/4/27
17 . .	KINWONG 景旺电子	Company	China	Class 40	14148618	2035/4/27
18 . .	景旺电子	Company	China	Class 9	16361914	2036/5/20
19 . .	景旺电子	Company	China	Class 40	16401981	2036/4/27

(b) Patents

As of the Latest Practicable Date, we had registered the following patents in the PRC which we consider to be or may be material to our business:

No.	Patent	Registered Owner	Class	Patent No.	Expiry Date
1 . . .	High-frequency board and high-frequency board manufacturing method (高頻板及高頻板製作方法)	Company	Invention	ZL202210997679.0	2042/8/18
2 . . .	Phased array antenna PCB and its lamination method (相控陣天線PCB及其壓合方法)	Company	Invention	ZL202210636837.X	2042/6/6
3 . . .	A method for preparing a circuit board prior to lamination and the circuit board (一種待壓合電路板的製備方法及電路板)	Company	Invention	ZL202210402635.9	2042/4/17
4 . . .	A buried-magnet PCB and a method for manufacturing the same (一種埋磁PCB及其製作方法)	Company, Zhuhai Kinwong	Invention	ZL202411106722.5	2044/8/12
5 . . .	A surface treatment method for a printed circuit board and the printed circuit board (印刷電路板的表面處理方法及印刷電路板)	Company	Invention	ZL202110290209.6	2041/3/17
6 . . .	A method for manufacturing an asymmetric board (一種不對稱板的製作方法)	Company	Invention	ZL202010297206.0	2040/4/14
7 . . .	A method for manufacturing a multilayer PCB and the multilayer PCB (多層PCB板的製作方法及多層PCB板)	Company	Invention	ZL201811157852.6	2038/9/29
8 . . .	A method for manufacturing a high-frequency board (高頻板製造方法)	Company	Invention	ZL201910280014.6	2039/4/8
9 . . .	A solder resist process with high ink reflectivity and a Mini-LED backlight board (一種高油墨反射率防焊工藝及Mini LED背光板)	Jiangxi Kinwong	Invention	ZL202410182283.X	2044/2/18
10 . .	A method for improving warpage in asymmetric stacked PCBs (一種改善不對稱疊構PCB板翹的方法)	Jiangxi Kinwong	Invention	ZL201910270496.7	2039/4/3
11 . .	A rigid-flex board and a method for manufacturing the same (剛撓結合板及其製作方法)	Longchuan Kinwong	Invention	ZL202211005070.7	2042/8/21
12 . .	A reinforcing board, a method for manufacturing the same, and a rigid-flex board (補強板、補強板製作方法及軟硬結合板)	Longchuan Kinwong	Invention	ZL202211005121.6	2042/8/21

No.	Patent	Registered Owner	Class	Patent No.	Expiry Date
13 . .	A method for manufacturing a circuit board (線路板製造方法)	Longchuan Kinwong	Invention	ZL202010504074.4	2040/6/4
14 . .	A method for manufacturing a printed circuit board and the printed circuit board (印製電路板的製作方法及印製電路板)	Longchuan Kinwong	Invention	ZL202111074396.0	2041/9/13
15 . .	A buried copper block thermal dissipation substrate and a method for manufacturing the same (一種埋銅塊散熱基板及其製作方法)	Longchuan Kinwong	Invention	ZL201810495741.X	2038/5/21
16 . .	A method for manufacturing a circuit board (線路板製造方法)	Zhuhai Kinwong	Invention	ZL202110086999.6	2041/1/21
17 . .	A method for manufacturing a circuit board (一種線路板的製作方法)	Zhuhai Kinwong	Invention	ZL202110177618.5	2041/2/8
18 . .	A method for manufacturing resistors in a printed circuit board and the printed circuit board (印刷電路板中電阻的製作方法及印刷電路板)	Zhuhai Kinwong	Invention	ZL202010824255.5	2040/8/16
19 . .	A method for soldering a connector to a flexible circuit board and the flexible circuit board (柔性電路板連接器焊接方法及柔性電路板)	Zhuhai Kinwong Flexible	Invention	ZL202210700065.1	2042/6/19
20 . .	A multilayer flexible circuit board capable of stable transmission of high-frequency signals during bending and a communication device (在彎折中高頻信號穩定傳輸的多層柔性線路板及通信設備)	Zhuhai Kinwong Flexible	Invention	ZL202110337950.3	2041/3/29

(c) ***Copyrights***

As of the Latest Practicable Date, we had registered the following computer software copyrights which we consider to be material to our Group's business:

No.	Copyright	Registration No.	Registered Owner	Registration Date
1	KWFPC_Drilling Table Software V1.0 (KWFPC_鑽孔表軟件V1.0)	2013SR029655	Company	2013/03/29
2	KWFPC Engineering Self-inspection Software V1.0 (KWFPC工程自檢軟件V1.0)	2014SR079250	Company	2014/06/17
3	Kinwong Electronic – Dormitory Check-in Registration Management System V1.0.00 (景旺電子-宿舍入住登記管理系統V1.0.00)	2019SR1254131	Company	2019/12/02

No.	Copyright	Registration No.	Registered Owner	Registration Date
4	Kinwong Electronic – IT Service Management Platform V1.0 (景旺電子-IT服務管理平臺V1.0)	2020SR0037630	Company	2020/01/08
5	SMT Traceability Management System [Abbreviation: STS] V1.0 (SMT追溯管理系統[簡稱:STS]V1.0)	2022SR0565156	Company	2022/05/06
6	Kinwong Factory Operations Management System V1.0 (景旺工廠運營管理系統V1.0)	2022SR0565137	Company	2022/05/06
7	Tool Table Conversion Software V1.0 (刀具表轉換軟件V1.0)	2015SR195905	Longchuan Kinwong	2015/10/13
8	Process Editor Software V1.0 (流程編輯器軟件V1.0)	2019SR0198615	Longchuan Kinwong	2019/02/28
9	Drill Editor Software V1.0 (鑽孔編輯器軟件V1.0)	2019SR0195820	Longchuan Kinwong	2019/02/28
10 . . .	Kinwong Drill Tape Editing Software V1.3 (景旺鑽帶編輯軟件V1.3)	2020SR0718194	Longchuan Kinwong	2020/07/03
11 . . .	Drill Tape Scaling Software (鑽帶漲縮軟件)	2021SR1576306	Longchuan Kinwong	2021/10/27
12 . . .	Kinwong CNC-VCUT Program/Drawing Automatic Generation Software V1.0 (景旺CNC-VCUT程式/圖紙自動生成軟件V1.0)	2018SR1028835	Jiangxi Kinwong	2018/12/28

(d) Domain Names

As of the Latest Practicable Date, we owned the following domain names in the PRC which we consider to be or may be material to our business:

No.	Domain Name	Registered Owner	Expiry Date
1. . . .	kinwong.com	Company	2034/09/28
2. . . .	kinwong.com.cn	Company	2035/02/26
3. . . .	kinwong.cn	Company	2035/12/08

(C) FURTHER INFORMATION ABOUT OUR DIRECTORS

1 Particulars of Directors' Appointment Contracts

Each of the Directors has entered into an appointment contract with our Company. The principal particulars of these appointment contracts comprise (a) the term of the service; (b) subject to termination in accordance with their respective term; and (c) a dispute resolution provision. The appointment contracts may be renewed in accordance with our Articles of Association and the applicable laws, rules and regulations from time to time.

Save as disclosed above, none of the Directors has or is proposed to have an appointment contract with any member of our Group (other than contracts expiring or determinable by the relevant employer within one year without the payment of compensation (other than statutory compensation)).

2 Remuneration of Directors

Save as disclosed in "Directors and Senior Management" and under "Accountants' Report — Notes to the Historical Financial Information — Directors' and Supervisors' Remuneration" in Appendix I to this prospectus, no Director received other remuneration or benefits in kind from our Company during the Track Record Period.

3 Disclosure of Interests

Interests and Short Positions of our Directors in the Registered Capital of our Company or our Associated Corporations following Completion of the Global Offering

Immediately following completion of the Global Offering the interests or short positions of our Directors and chief executives in the shares, underlying shares and debentures of our Company 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 and short positions which he/she is taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to our Company and the Stock Exchange are set out below:

			A Shares held as of the Latest Practicable Date		Shares held following the completion of the Global Offering		
Name of Director	Name of associated corporation	Nature of interest	Number	Approximate Percentage of issued Shares	Number	Approximate Percentage of issued A Shares	Approximate Percentage of total issued Shares
Mr. Liu Shaobai	Our Company	Beneficial owner	478,805	0.05%	478,805	0.05%	0.04%
		Interest in person acting in concert	560,846,175	56.01%	560,846,175	56.01%	52.21%
		Interest of spouse(1)	280,493,262	28.01%	280,493,262	28.01%	26.11%
Ms. Cheuk Kwan	Our Company	Interest in controlled corporations	279,874,108	27.95%	279,874,108	27.95%	26.05%
		Interest in person acting in concert	560,846,175	56.01%	560,846,175	56.01%	52.21%
Ms. Huang Xiaofen	Our Company	Beneficial owner	417,940	0.04%	417,940	0.04%	0.04%
		Interest in controlled corporations	280,075,322	27.97%	280,075,322	27.97%	26.07%
		Interest in person acting in concert	560,846,175	56.01%	560,846,175	56.01%	52.21%
		Interest of spouse(1)	478,805	0.05%	478,805	0.05%	0.04%
Mr. Liu Yu	Our Company	Interest in controlled corporations	280,075,322	27.97%	280,075,322	27.97%	26.07%
		Interest in person acting in concert	560,846,175	56.01%	560,846,175	56.01%	52.21%
Mr. Deng Li	Our Company	Beneficial owner	240,700	0.02%	240,700	0.02%	0.02%

Note:

(1) Mr. Liu Shaobai and Ms. Huang Xiaofen are spouses.

Interests and Short Positions Disclosable under Divisions 2 and 3 of Part XV of the SFO

For information, so far as is known to our Directors or chief executive, of each person, other than our Directors or chief executive, who immediately following completion of the Global Offering will have an interest or 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, is, directly or indirectly, interested in 10% or more of the issued voting shares of any other member of our Group, see "Substantial Shareholders."

Interests of substantial shareholders in members of our Group (excluding our Company)

As of the Latest Practicable Date, to the best knowledge of our Directors, the following persons (other than members of our Group) were interested in 10% or more of the voting rights at general meetings of our subsidiaries:

Name of subsidiary	Name of substantial shareholder	Approximate percentage of shareholding
		(%)
Zhuhai Kinwong Flexible . . .	Luxshare Precision Industry Co., Ltd. (立訊精密工業股份有限公司)	49

(D) SHARE OPTION AND RESTRICTED SHARE INCENTIVE PLANS

The following is a summary of the principal terms of the 2024 Share Option and Restricted Share Incentive Plan adopted by the Company on April 19, 2024 and the 2026 Share Option and Restricted Share Incentive Plan adopted by the Company on June 25, 2026. In the event of any further grant being made under the Share Option and Restricted Share Incentive Plans on or after the Listing Date, the Company will comply with Chapter 17 of the Listing Rules in relation to such further grants.

(a) Purpose of the plan

The purpose of the Share Option and Restricted Share Incentive Plans is to enhance our Group's corporate governance structure and incentive mechanism and incentivize our Group's management and key employees to achieve a sustained and healthy development of our Group. The Share Option and Restricted Share Incentive Plans are implemented to align the interests of the Shareholders with the interests of our Group and the incentivized employees which will benefit the sustained development of our Group.

(b) Administration

The Share Option and Restricted Share Incentive Plans have been approved by the Shareholders' meeting and is subject to the administration of the Board.

(c) Participants

The eligible participants of the Share Option and Restricted Share Incentive Plans include our Group's directors, senior management, key management personnel and core technical and business personnel.

(d) Source and maximum number of Shares

The Shares underlying the Share Option and Restricted Share Incentive Plans are A Shares to be issued by our Company to the selected participants. The total number of Shares that may be issued pursuant to the 2024 Share Option and Restricted Share Incentive Plan is no more than 22,399,000 Shares, comprising 14,841,080 restricted Shares and Shares underlying 7,557,920 options. The total number of Shares that may be issued pursuant to the 2026 Share Option and Restricted Share Incentive Plan is no more than 26,023,700 A Shares, comprising 20,469,900 restricted Shares and Shares underlying 5,553,800 options.

(e) Date of grant of options and restricted Shares

The date on which the options or restricted shares under the initial batch are granted shall be a trading day determined by the Board within 60 days after the date of approval of each Share Option and Restricted Share Incentive Plan by the Shareholders' meeting. The grant of options or restricted shares shall be approved by the Board, registered and announced within 60 days after the approval of each Share Option and Restricted Share Incentive Plan by the Shareholders' meeting. The options or restricted shares under the reserve batch shall be granted within 12 months after the date of approval of each Share Option and Restricted Share Incentive Plan by the Shareholders' meeting.

(f) Conditions to the grant of options or restricted Shares

The options or restricted shares under the Share Option and Restricted Share Incentive Plans will only be granted to selected participants if the following conditions are fulfilled:

(a) with respect to our Company, none of the following circumstances having occurred:

(1) an audit report with an adverse opinion or a disclaimer of opinion has been issued by the reporting accountants with respect to our Company's accountants' report for the most recent fiscal year;

(2) an audit report with an adverse opinion or a disclaimer of opinion has been issued by the reporting accountants with respect to the internal control report contained in accountants report for the most recent fiscal year;

(3) 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;

(4) the applicable laws and regulations prohibit the implementation of any share incentive arrangement; or

(5) any other circumstances determined by the CSRC.

(b) with respect to a grantee, none of the following circumstances having occurred:

(1) the grantee has been regarded as an inappropriate person by the Share exchange within the last 12 months;

(2) the grantee has been regarded as an inappropriate person by the CSRC or its local office within the last 12 months;

(3) the grantee has been punished or prohibited from entering into the securities market by the CSRC or its local office due to material breach of laws and regulations within the last 12 months;

(4) the grantee is not qualified to serve as a director or senior management according to the PRC Company Law;

(5) the grantee is prohibited from participating in any share incentive arrangement of listed companies according to applicable laws and regulations; or

(6) any other circumstances determined by the CSRC.

(g) Exercise of options

Options may be exercised by a grantee provided that (i) the conditions set out under paragraph (f) above are fulfilled at the time of exercise of options; and (ii) the annual assessment and performance targets as set out under the Share Option and Restricted Share Incentive Plans are achieved.

The exercise price for the options granted under the 2024 Share Option and Restricted Share Incentive Plan is RMB15.82 per option, which is a price no less than 80% of the average A Share trading price of the Company during the 60 trading days prior to the announcement of the 2024 Share Option and Restricted Share Incentive Plan. The exercise price for the options granted under the 2026 Share Option and Restricted Share Incentive Plan is RMB57.33 per option.

The grantees must exercise their options within the validity period of the respective options. Upon the expiry of the validity period, options granted but not exercised will cease to be exercisable and shall be canceled by our Company.

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 of Shares and issue of new Shares.

The options granted under the 2024 Share Option and Restricted Share Incentive Plan are exercisable in three tranches of 40%, 30%, 30% in each of the three exercise periods that occur between the first trading day after the 12-month anniversary from the date of grant and the last trading day up to the 48-month anniversary of the date of grant.

The exercise of the options granted under the 2024 Share Option and Restricted Share Incentive Plan shall be on a trading day, which shall not fall within the following periods (i) 30 days before the publication of annual report and interim report, (ii) 10 days before the publication of quarterly report, earnings forecast and preliminary earnings estimate, (iii) the period starting from the date of occurrence of any significant price-sensitive event on the trading of our Shares and derivatives or the decision-making process in respect of such event until the date of announcement of such event; and (iv) any other period stipulated by the CSRC and the Shanghai Stock Exchange.

(h) Grant of restricted Shares

The grant price for the restricted Shares granted under the 2024 Share Option and Restricted Share Incentive Plan is RMB9.89 per Share, which is a price no less than 50% of the average A Share trading price of the Company during the 60 trading days prior to the announcement of the 2024 Share Option and Restricted Share Incentive Plan. The grant price for the restricted Shares granted under the 2026 Share Option and Restricted Share Incentive Plan is RMB35.83 per Share.

(i) Lock-up of Shares underlying the options

If the grantee is a Director or a senior management of our Company, the Shares to be transferred in each year shall not exceed 25% of the total Shares he holds during the term of his employment, and no share held by such Director or senior management can be transferred within six months after termination of his employment.

If the grantee is a Director or senior management of our Company, income gained through the 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.

If there is any change in the applicable laws and regulations on the foregoing lock-up requirements, the grantee shall comply with the amended laws and regulations.

(j) Lock-up of restricted Shares

The restricted Shares granted under the 2024 Share Option and Restricted Share Incentive Plan may be released from lock-up (i) as to 40% during the period between the first trading day after the 12-month anniversary of the date of registration and the last trading day before the 24-month anniversary of the date of registration, (ii) as to 30% during the period between the first trading day after the 24-month anniversary of the date of registration and the last trading day before the 36-month anniversary of the date of registration, and (iii) as to 30% during the period between the first trading day after the 36-month anniversary of the date of registration and the last trading day before the 48-month anniversary of the date of registration, respectively.

Grantees of restricted Shares under the 2026 Share Option and Restricted Share Incentive Plan include (i) class A grantees, i.e., grantees who have not participated in the 2024 Share Option and Restricted Share Incentive Plan; and (ii) class B grantees, i.e., grantees who have participated in the 2024 Share Option and Restricted Share Incentive Plan.

The restricted Shares granted to class A grantees under the 2026 Share Option and Restricted Share Incentive Plan may be released from lock-up (i) as to 25% during the period between the first trading day after the 12-month anniversary of the date of registration and the last trading day before the 24-month anniversary of the date of registration, (ii) as to 25% during the period between the first trading day after the 24-month anniversary of the date of registration and the last trading day before the 36-month anniversary of the date of registration, (iii) as to 25% during the period between the first trading day after the 36-month anniversary of the date of registration and the last trading day before the 48-month anniversary of the date of registration, and (iv) as to 25% during the period between the first trading day after the 48-month anniversary of the date of registration and the last trading day before the 60-month anniversary of the date of registration, respectively.

The restricted Shares granted to class B grantees under the 2026 Share Option and Restricted Share Incentive Plan may be released from lock-up (i) as to 40% during the period between the first trading day after the 24-month anniversary of the date of registration and the last trading day before the 36-month anniversary of the date of registration, (ii) as to 30% during the period between the first trading day after the 36-month anniversary of the date of registration and the last trading day before the 48-month anniversary of the date of registration, and (iii) as to 30% during the period between the first trading day after the 48-month anniversary of the date of registration and the last trading day before the 60-month anniversary of the date of registration, respectively.

(k) Outstanding Options and Restricted Shares

As of the Latest Practicable Date, (i) there are 2,302,723 outstanding options and there is no outstanding restricted Share under the 2024 Share Option and Restricted Share Incentive Plan; and (ii) there are 5,349,100 outstanding options and there is no outstanding restricted Share under the 2026 Share Option and Restricted Share Incentive Plan. As such, the number of A Shares underlying the outstanding options granted under the Share Option and Restricted Share Incentive Plans is 7,651,823 A Shares, representing 0.71% 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 Date). As of the Latest Practicable Date, all of the 7,651,823 options under the Share Option and Restricted Share Incentive Plans were granted to 844 grantees who are employees of our Company and are not Directors, members of the senior management or connected persons of our Company. As of the Latest Practicable Date, 3,949,500 awards remain available for grant under the 2026 Share Option and Restricted Share Incentive Plan, which are currently reserved and will be further granted as restricted Shares. In the event of any further grant being made on or after the Listing Date, the Company will comply with Chapter 17 of the Listing Rules in relation to such further grants. Assuming full exercise of all outstanding options granted under the Share Option and Restricted Share Incentive Plans, the issued and outstanding shareholding of the Shareholders immediately following completion of the Global Offering will be diluted by 0.37%. The dilution effect on our earnings per Share would be 0.37%.

The table below sets forth the details of the options granted to the grantees (who are not our Directors, members of our senior management or connected persons of our Company) under the 2024 Share Option and Restricted Share Incentive Plan, categorized by the number of underlying A Shares, which were outstanding as of the Latest Practicable Date:

Category by number of underlying A Shares	Number of grantee	Date of grant	Exercise price	Exercise period	Number of A Shares underlying outstanding options	A Shares underlying outstanding options as a percentage of issued Shares immediately after the Global Offering(1)
			(RMB)			
1 to 10,000	432	June 13, 2024	13.97	See note (2)	1,915,547	0.1783%
	82	March 28, 2025	13.97	See note (3)	347,290	0.0323%
10,001 to 20,000. . .	1	June 13, 2024	13.97	See note (2)	13,740	0.0013%
	2	March 28, 2025	13.97	See note (3)	26,150	0.0024%
Total	**517**	**–**	**–**	**–**	**2,302,723**	**0.2144%**

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 Date.

(2) The first exercise period is June 13, 2025-June 12, 2026. The second exercise period is June 13, 2026-June 12, 2027. The third exercise period is June 13, 2027-June 12, 2028.

(3) The first exercise period is June 13, 2026-June 12, 2027. The second exercise period is June 13, 2027-June 12, 2028.

The table below sets forth the details of the options granted to the grantees (who are not our Directors, members of our senior management or connected persons of our Company) under the 2026 Share Option and Restricted Share Incentive Plan, categorized by the number of underlying A Shares:

Category by number of underlying A Shares	Number of grantee	Date of grant	Exercise price	Exercise period	Number of A Shares underlying outstanding options	A Shares underlying outstanding options as a percentage of issued Shares immediately after the Global Offering(1)
			(RMB)			
1 to 10,000	584	June 26, 2026	57.33	See note (2)	4,311,900	0.4014%
10,001 to 20,000. . .	51	June 26, 2026	57.33	See note (2)	589,900	0.0549%
20,001 to 30,000 . .	10	June 26, 2026	57.33	See note (2)	229,100	0.0213%

Category by number of underlying A Shares	Number of grantee	Date of grant	Exercise price	Exercise period	Number of A Shares underlying outstanding options	A Shares underlying outstanding options as a percentage of issued Shares immediately after the Global Offering[1]
			(RMB)			
30,001 to 40,000 . .	3	June 26, 2026	57.33	See note (2)	98,100	0.0091%
40,001 to 50,000 . .	–	–	–	–	–	–
Above 50,000	2	June 26, 2026	57.33	See note (2)	120,100	0.0112%
Total	**650**	**–**	**–**	**–**	**5,349,100**	**0.4979%**

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 Date.

(2) There are two categories of awardees. The exercise period for category A awardees is four years equally, with 25% exercisable each year starting from the 12th, 24th, 36th and 48th month after the grant date up to the 60th month. The exercise period for category B awardees is three years, with 40%, 30% and 30% exercisable each year starting from the 24th, 36th and 48th month after the grant date up to the 60th month.

(E) OTHER INFORMATION

1 Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to fall upon any member of our Group.

2 Litigation

Save as disclosed in this prospectus, no member of our Group is engaged in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance is known to our Directors to be pending or threatened by or against our Company that would have a material adverse effect on our Company's results of operations or financial condition.

3 Joint Sponsors

The Joint Sponsors have made an application on behalf of our Company to the Listing Committee for listing of, and permission to deal in, the H Shares of our Company. All necessary arrangements have been made to enable the H Shares to be admitted into CCASS.

Each of the Joint Sponsors satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

Pursuant to the engagement letters entered into between our Company and each of the Joint Sponsors, we have agreed to pay the Joint Sponsors an aggregate fee of US$1,000,000 to act as the sponsors of our Company in connection with the proposed Listing on the Stock Exchange.

4 Consent of Experts

The qualification of the experts, as defined under the Hong Kong Listing Rules, who have given opinions in this prospectus are as follows:

Name	Qualification
CITIC Securities (Hong Kong) Limited	Licensed corporation to conduct Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO
Merrill Lynch (Asia Pacific) Limited	Licensed corporation to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO
Guolian Securities International Capital Market Co., Limited	Licensed corporation to conduct Type 6 (advising on corporate finance) regulated activities as defined under the SFO
Guantao Law Firm	Legal advisor to our Company as to PRC laws
Ernst & Young	Certified Public Accountants and Registered Public Interest Entity Auditor
CIC	an independent professional market research and consulting company
Pillsbury Winthrop Shaw Pittman LLP	Legal advisor to our Company as to U.S. export control and sanctions

As of the Latest Practicable Date, none of the experts named above has 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.

Each of the experts named above have given and have not withdrawn their respective written consent to the issue of this prospectus with copies of their reports, letters, opinions or summaries of opinions (as the case may be) and the references to their names included herein in the form and context in which they are respectively included.

5 Binding Effect

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

6 Promoters

Information of our promoters at the time of the Company's conversion into a joint stock limited company in June 2013 is as follows:

No.	Name
1.	Jinghong Yongtai
2.	Wise Able Investment
3.	Dongguan Hengxin Industrial Investment Co., Ltd. (東莞市恒鑫實業投資有限公司)
4.	Shenzhen Jingjun Tongxin Investment Partnership (Limited Partnership) (深圳市景俊同鑫投資合夥企業(有限合夥))
5.	Shenzhen Jiashanxin Investment Partnership (Limited Partnership) (深圳市嘉善信投資合夥企業(有限合夥))

Within the two years preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given or is proposed to be paid, allotted or given to any promoter in connection with the Global Offering and the related transactions described in this prospectus.

7 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).

8 Preliminary Expenses

We have not incurred any material preliminary expenses in relation to the incorporation of our Company.

9 Compliance Advisor

Our Company has appointed Lego Corporate Finance Limited as our compliance advisor in compliance with Rules 3A.19 of the Listing Rules.

10 No Material Adverse Change

Our Directors confirm that, there has been no material adverse change in our business, financial condition and results of operations since December 31, 2025, being the latest balance sheet date of our consolidated financial statements as set out in the Accountants' Report in Appendix I to this prospectus, and up to the date of this prospectus.

11 Taxation of Holders of H Shares

The sale, purchase and transfer of H Shares are subject to Hong Kong stamp duty if such sale, purchase and transfer are effected on the H Share register of members of our Company, including in circumstances where such transactions are effected on the Stock Exchange. The current rate of Hong Kong stamp duty for such sale, purchase and transfer on each of the purchaser and the seller is 0.1% of the consideration or, if higher, the fair value of the H Shares being sold or transferred.

12 Related Party Transactions

Our Group entered into the related party transactions within the two years immediately preceding the date of this prospectus as mentioned in Note 38 to the Accountants' Report included in Appendix I to this prospectus.

13 Miscellaneous

Save as disclosed in this prospectus:

(i) within the two years immediately preceding the date of this prospectus:

(a) no share or loan capital of our Company or any of our subsidiaries had been issued or agreed to be issued or proposed to be fully or partly paid either for cash or a consideration other than cash;

(b) no share or loan capital of our Company or any of our subsidiaries had been under option or is agreed conditionally or unconditionally to be put under option;

(c) no commissions, discounts, brokerages or other special terms had been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries; and

(d) no commission had been paid or payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share in our Company or any of our subsidiaries;

(ii) there are no founder, management or deferred shares, convertible debt securities nor any debentures in our Company or any of our subsidiaries;

(iii) there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this prospectus;

(iv) our Company has no outstanding convertible debt securities or debentures;

(v) there is no arrangement under which future dividends are waived or agreed to be waived;

(vi) save for the A Shares of our Company that are listed on the Shanghai Stock Exchange, and save for the H Shares to be issued in connection with the Global Offering, none of the equity and debt securities of our Company, if any, is listed or dealt with in any other stock exchange nor is any listing or permission to deal being or proposed to be sought; and

(vii) all necessary arrangements have been made to enable the H Shares to be admitted into CCASS for clearing and settlement.

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this prospectus delivered to the Registrar of Companies in Hong Kong for registration were:

(a). the written consents referred to in "Statutory and General Information — (E) Other Information — 4 Consent of Experts" in Appendix IV to this prospectus; and

(b). a copy of each of the material contracts referred to in "Statutory and General Information — (B) Further Information about Our Business — 1 Summary of Material Contracts" in Appendix IV to this prospectus.

DOCUMENTS AVAILABLE ON DISPLAY

Electronic copies of the following documents will be available for inspection at the website of the Stock Exchange at **www.hkexnews.hk** and our website at **https://www.kinwong.com/** including the date which is 14 days from the date of this prospectus:

(a) the Articles of Association;

(b) the Accountants' Report, the report on review of the unaudited interim condensed consolidated financial information of our Group, and the report on the unaudited pro forma financial information of our Group prepared by Ernst & Young, the texts of which are set out in "Accountants' Report" in Appendix I to this prospectus, "Unaudited Interim Condensed Consolidated Financial Information" in Appendix IA to this prospectus, and "Unaudited Pro Forma Financial Information" in Appendix II to this prospectus, respectively;

(c) the audited consolidated financial statements of our Group for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2026;

(d) the material contracts referred to in "Statutory and General Information — (B) Further Information about Our Business — 1 Summary of Material Contracts" in Appendix IV to this prospectus;

(e) the service contracts and the letters of appointment referred to in "Statutory and General Information — (C) Further information about Our Directors — 1 Particulars of Directors' Appointment Contracts" in Appendix IV to this prospectus;

(f) the industry report issued by CIC, a summary of which is set forth in "Industry Overview" in this prospectus;

(g) the PRC legal opinions issued by Guantao Law Firm, our PRC Legal Advisor on PRC law, in respect of certain general corporate matters and property interests in the PRC of our Group;

(h) the legal memorandum issued by Pillsbury Winthrop Shaw Pittman LLP, our legal advisor as to U.S. export control and sanctions, in respect of, among others, certain U.S. export control and sanction matters related to our Group;

(i) the written consents referred to in "Statutory and General Information — (E) Other Information — 4 Consent of Experts" in Appendix IV to this prospectus;

(j) the PRC Company Law, the PRC Securities Law and the Trial Administrative Measures for Overseas Securities Offering and Listing by Domestic Companies together with their unofficial English translation; and

(k) the terms of the 2024 Share Option and Restricted Share Incentive Plan and the 2026 Share Option and Restricted Share Incentive Plan.

DOCUMENT AVAILABLE FOR INSPECTION

A copy of a full list of all the grantees under the Share Option and Restricted Share Incentive Plans will be made available for public inspection at the Company's Hong Kong legal advisor's office at 18/F, One Exchange Square, 8 Connaught Place, Central, Hong Kong during normal business hours up to and including the date which is 14 days from the date of this prospectus.

KINWONG
景旺电子

深圳市景旺電子股份有限公司
Shenzhen Kinwong Electronic Co., Ltd.

CIC 灼识咨询
China Insights Consultancy

86 21 2356 0288
86 21 2356 0299
www.cninsights.com

The Board of Directors
Shenzhen Kinwong Electronic Co., Ltd.
(深圳市景旺電子股份有限公司)
166 Tiegang Shuiku Road,
Xixiang Subdistrict,
Bao'an District, Shenzhen,
PRC

Date: 21 September, 2026

Dear Sirs,

Re: Consent to the issue of the prospectus of Shenzhen Kinwong Electronic Co., Ltd. (深圳市景旺電子股份有限公司) (the "**Company**") in connection with the proposed global offering and listing of the H shares of the Company

We refer to the prospectus of the Company dated 21 September, 2026 (the "**Prospectus**") in connection with the proposed global offering and listing of the H shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

We hereby give, and confirm that we have not withdrawn, (i) our written consent to the issue of the Prospectus with our name, address, qualifications, reports, letters, opinions and references thereto included in the form and context in which they respectively appear; and (ii) our consent to include a statement of the aforesaid in the Prospectus.

We hereby consent to a copy of this letter being released to the Registrar of Companies in Hong Kong and the Stock Exchange for the purpose of the registration of the Prospectus and referring to it in the Prospectus. We also hereby consent to a copy of (i) this letter and (ii) our report being made available on display as described in the section headed "Documents Delivered to the Registrar of Companies and Available on Display" in Appendix V to the Prospectus.

中国 上海市 静安区普济路88号静安国际中心B座10楼，邮编：200070
10F, Block B, Jing'an International Center, 88 Puji Road, Jing'an District, Shanghai 200070, China

灼识咨询
China Insights Consultancy

86 21 2356 0288
86 21 2356 0299
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Yours faithfully,

China Insights Industry Consultancy Limited

中国 上海市 静安区普济路88号静安国际中心B座10楼，邮编：200070
10F, Block B, Jing'an International Center, 88 Puji Road, Jing'an District, Shanghai 200070, China

The Board of Directors
Shenzhen Kinwong Electronic Co., Ltd.
(深圳市景旺電子股份有限公司)
166 Tiegang Shuiku Road,
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We hereby consent to a copy of this letter being released to the Registrar of Companies in Hong Kong and the Stock Exchange for the purpose of the registration of the Prospectus and referring to it in the Prospectus. We also hereby consent to a copy of (i) this letter and (ii) our legal memorandum being made available on display as described in the section headed "Documents Delivered to the Registrar of Companies and Available on Display" in Appendix V to the Prospectus.

Yours faithfully,

Pillsbury Winthrop Shaw Pittman LLP

PILLSBURY WINTHROP SHAW PITTMAN LLP

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