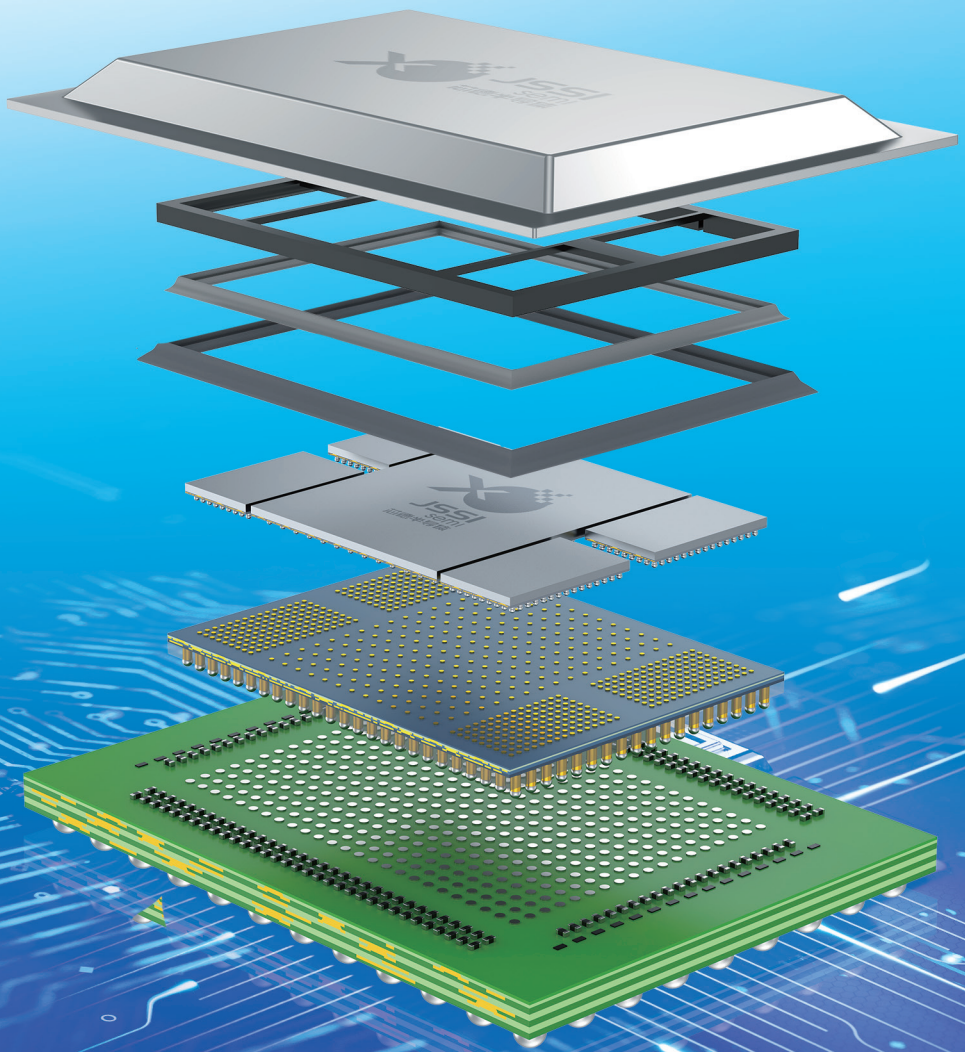


江蘇芯德半導體科技股份有限公司

Jiangsu Xinde Semiconductor Technology Co., Ltd.

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

Stock Code : 7672

GLOBAL OFFERING

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

华泰国际
HUATAI INTERNATIONAL

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

華福國際
HUAFU INTERNATIONAL

第一上海
FIRST SHANGHAI GROUP

IMPORTANT

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

Jiangsu Xinde Semiconductor Technology Co., Ltd.
江蘇芯德半導體科技股份有限公司

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

GLOBAL OFFERING

Number of Offer Shares under the Global Offering	**:**	**106,562,500 H Shares**
Number of Hong Kong Offer Shares	**:**	**10,656,500 H Shares (subject to reallocation)**
Number of International Offer Shares	**:**	**95,906,000 H Shares (subject to reallocation)**
Maximum Offer Price	**:**	**HK$9.60 per H Share plus brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.00565% (payable in full on application in Hong Kong dollars, subject to refund)**
Nominal value	**:**	**RMB1.00 per H Share**
Stock code	**:**	**7672**

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

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

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

The Offer Price is expected to be determined by agreement between us and the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Underwriters) on or before Friday, November 6, 2026 (Hong Kong time). The Offer Price will be not more than HK$9.60 per Offer Share and is currently expected to be not less than HK$8.60 per Offer Share, unless otherwise announced. If, for any reason, the Offer Price is not agreed between us and the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Underwriters) on or before Friday, November 6, 2026 (Hong Kong time), the Global Offering will not proceed and will lapse immediately.

The Sole Sponsor-Overall Coordinator (for itself and on behalf of the Underwriters), with our consent, may reduce the indicative Offer Price range below that stated in this prospectus and/or reduce the number of Offer Shares being offered under the Global Offering at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, notices of the reduction will be published on the website of the Stock Exchange at **www.hkexnews.hk** and our website at **www.jssisemi.cn** not later than the morning of the last day for lodging applications under the Hong Kong Public Offering. Further details are set out in the sections headed "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" in this prospectus.

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement are subject to termination by the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Hong Kong Underwriters) at any time prior to 8: 00 a.m. on the Listing Date. Upon the occurrence of any of the events set forth in the section headed "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination" in this prospectus. It is important that you refer to that section 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 or to, or for the account or benefit of U.S. persons, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. The Offer Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act.

ATTENTION

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

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

October 30, 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 Stock Exchange at **www.hkexnews.hk** under the "*HKEXnews* > *New Listings* > *New Listing Information*" section, and our website at **www.jssisemi.cn**. If you require a printed copy of this Prospectus, you may download and print from the website addresses above.

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

(1) apply online via the **White Form eIPO** service at **www.eipo.com.hk**; or

(2) apply electronically through the **HKSCC EIPO** channel by instructing your **broker** or **custodian** who is a HKSCC Participant to submit **electronic application instructions** via FINI to apply for the Hong Kong Offer Shares on your behalf.

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

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

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

Your application through the **White Form eIPO** service or the **HKSCC EIPO** channel must be for a minimum of 500 Hong Kong Offer Shares and in one of the numbers set out in the table.

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

If you are applying through the **HKSCC EIPO** channel, your broker or custodian may require you to pre-fund your application in such amount as determined by the broker or custodian, based on the applicable laws and regulations in Hong Kong. You are responsible for complying with any such pre-funding requirement imposed by your broker or custodian with respect to the Hong Kong Offer Shares you applied for.

No. of Hong Kong Offer Shares applied for	Amount payable[(2)] on application	No. of Hong Kong Offer Shares applied for	Amount payable[(2)] on application	No. of Hong Kong Offer Shares applied for	Amount payable[(2)] on application	No. of Hong Kong Offer Shares applied for	Amount payable[(2)] on application
	HK$		*HK$*		*HK$*		*HK$*
500	4,848.41	6,000	58,180.90	40,000	387,872.65	400,000	3,878,726.40
1,000	9,696.81	7,000	67,877.71	45,000	436,356.72	500,000	4,848,408.00
1,500	14,545.22	8,000	77,574.53	50,000	484,840.80	1,000,000	9,696,816.00
2,000	19,393.63	9,000	87,271.34	60,000	581,808.95	1,500,000	14,545,224.00
2,500	24,242.05	10,000	96,968.15	70,000	678,777.12	2,000,000	19,393,632.00
3,000	29,090.45	15,000	145,452.25	80,000	775,745.28	2,500,000	24,242,040.00
3,500	33,938.86	20,000	193,936.32	90,000	872,713.45	3,000,000	29,090,448.00
4,000	38,787.27	25,000	242,420.40	100,000	969,681.60	3,500,000	33,938,856.00
4,500	43,635.67	30,000	290,904.48	200,000	1,939,363.20	4,000,000	38,787,264.00
5,000	48,484.08	35,000	339,388.55	300,000	2,909,044.80	5,328,000[(1)]	51,664,635.65

Notes:

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

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

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

*If there is any change to the expected timetable of the Hong Kong Public Offering, we will issue an announcement on the respective websites of the Company at **www.jssisemi.cn** and the Stock Exchange at **www.hkexnews.hk**.*

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

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

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

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

If you are instructing your **broker** or **custodian** who is an HKSCC Participant to submit **electronic application instructions** on your behalf through HKSCC's FINI system in accordance with your instruction to apply for the Hong Kong Offer Shares, 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 for the Hong Kong Public Offering close[3] . . . . . .12:00 noon on Thursday, November 5, 2026

Expected Price Determination Date[5] . . . . . by 12:00 noon on Friday, November 6, 2026

Announcement of the final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares to be published on the website of the Stock Exchange at **www.hkexnews.hk** and the website of the Company at **www.jssisemi.cn**[7] . . . . . no later than 11:00 p.m. on Monday, November 9, 2026

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

- in the announcement to be published on our website at **www.jssisemi.cn** and the website of the Stock Exchange at **www.hkexnews.hk** . . . . . no later than 11:00 p.m. on Monday, November 9, 2026

- from the designated results of allocations website at **www.iporesults.com.hk** (alternatively: **www.eipo.com.hk/eIPOAllotment**) with a "search by ID" function from . . . . . from 11:00 p.m. on Monday, November 9, 2026 to 12:00 midnight on Sunday, November 15, 2026

- from the allocation results telephone enquiry by calling +852 2862 8555 between 9:00 a.m. and 6:00 p.m. . . . . from Tuesday, November 10, 2026 to Friday, November 13, 2026 (excluding Saturday, Sunday and public holiday in Hong Kong)

H Share certificates in respect of wholly or partially successful applications to be dispatched or deposited into CCASS on or before[6] . . . . . Monday, November 9, 2026

White Form e-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/collected on or before[8] . . . . . Tuesday, November 10, 2026

Dealings in the H Shares on the Stock Exchange expected to commence at . . . . . 9:00 a.m. on Tuesday, November 10, 2026

The application for the Hong Kong Offer Shares will commence on Friday, October 30, 2026 through Thursday, November 5, 2026, being longer than normal market practice of three and a half days, Investors should be aware that the dealings in the H Shares on the Stock Exchange are expected to commence on Tuesday, November 10, 2026.

Notes:

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

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

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

(4) If you apply for the Hong Kong Offer Shares through **HKSCC EIPO** channel, you should contact your **broker** or **custodian** for the latest time for giving such instructions which may be different from the latest time as stated above.

(5) The Price Determination Date is expected to be on or before Friday, November 6, 2026. If, for any reason, the Offer Price is not agreed between the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Underwriters) and our Company on or before 12:00 noon on Friday, November 6, 2026, the Global Offering will not proceed and will lapse.

(6) No temporary documents of title will be issued in respect of the Offer Shares. H Share certificates will only become valid evidence of title at 8:00 a.m. on the Listing Date, which is expected to be on or around Tuesday, November 10, 2026, provided that the Global Offering becomes unconditional in all respects on or before then. Investors who trade 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 do so entirely at their own risks.

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

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

Applicants being individuals who are eligible for personal collection may not authorize any other person to collect on their behalf. If you are a corporate applicant which is eligible for personal collection, your authorized representative must bear a letter of authorization from your corporation stamped with your corporation's chop. Both individuals and authorized representatives must produce evidence of identity acceptable to our H Share Registrar at the time of collection. Any uncollected H Share Certificates and/or refund cheques will be dispatched by ordinary post, at the applicants' risk, to the addresses specified in the relevant applications.

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

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

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

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

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

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

You should rely only on the information contained in this prospectus to make your investment decision. We have not authorized anyone to provide you with information that is different from what is contained in this prospectus. Any information or representation not made in this prospectus must not be relied on by you as having been authorized by us, the Sole Sponsor, the Sole Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, Joint Lead Managers, the Underwriters, any of our or their respective directors, officers or representatives or any other person or party involved in the Global Offering. The information contained on our website at www.jssisemi.cn does not form part of this prospectus.

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

There are risks associated with any investment. Some of the particular risks in investing in the H Shares are set forth in the section headed "Risk Factors" in this prospectus. You should read that section carefully before you decide to invest in the H Shares. Various expressions used in this summary are defined in the sections headed "Definitions" and "Glossary of technical terms" in this prospectus.

OVERVIEW

We are a provider of semiconductor assembly and testing services, principally engaged in developing packaging design, offering customized packaging products as well as packaging product testing service. According to Frost & Sullivan, upon the "post-Moore era" where growth in transistor density reaches its scaling limit, reliance on new semiconductor packaging architectures as a critical link between chip design and application, such as packaging techniques like miniaturization, thinning, high efficiency, and heterogeneous integration, becomes the key driver for enhancing performance, efficiency and flexibility of chip functionality. We are one of the companies in the PRC which has technical ability in traditional and advanced packaging technologies to drive breakthroughs in semiconductor innovation in the "post-Moore era" and support the development wave of the "AI+ era".

Since our establishment in September 2020, we explored the field of traditional and advanced packaging, accumulated know-how on our packaging technology and equipped ourselves with mass-production capability for traditional packaging and advanced packaging. According to Frost & Sullivan, the Group' s advanced packaging portfolio comprises BGA, LGA, WLP, 2.5D/3D, as well as FC-QFN and FC-SOT, while its traditional packaging offerings include WB-QFN. See "Industry Overview — Overview of Global Advanced Packaging & Testing Market — Definition of Advanced Packaging" in this prospectus. We are among the few packaging product providers to have mastered this capability in the PRC. According to Frost & Sullivan, our Company ranked seventh among China's general-purpose OSAT companies in terms of revenue from semiconductor advanced packaging and testing in 2025, with a market share of 0.6%. General-Purpose OSATs provide advanced packaging and testing services for a broad range of chips deployed across diverse industries, with flexible technical capabilities to accommodate varied customer requirements. In contrast, Application-Specific OSATs provide advanced packaging and testing services focused on chips built for specific applications, where their technologies and processes are engineered to satisfy the unique specifications of such specialized markets. Application-Specific OSATs may also undertake packaging and testing work beyond their core applications, but typically focus on a limited range of specialized applications because their processes, equipment and customer relationships are built around the requirements of those markets. We launched "Chiplet and Advanced Package integration Center (CAPiC)", a platform to advance our technological know-how and continue to develop technologies across all technical branches of the advanced packaging domain.

Our packaging products gained recognition from various well-established customers, resulting in a strong revenue growth during the Track Record Period. Our revenue increased from RMB509.1 million in 2023 to RMB827.4 million in 2024 and further to RMB1,012.2 million in 2025, and increased from RMB306.4 million for the four months ended April 30, 2025 to RMB359.7 million for the four months ended April 30, 2026. We had a loss of RMB358.9 million, RMB376.6 million, RMB483.1 million, RMB163.6 million and RMB161.9 million in 2023, 2024 and 2025 and for the four months ended April 30, 2025 and 2026, respectively. We experience an improvement in our gross loss margin for the years ended December 31, 2023, 2024 and 2025 at 38.4%, 20.1% and 18.0%. We narrowed our gross loss margin from 20.5% for the four months ended April 30, 2025 to 17.9% for the four months ended April 30, 2026, manifesting our endeavor to maintain sustainability and pursue our path to profitability.

We remained in a gross loss position throughout the Track Record Period. Our historical gross losses and gross loss margins were significantly attributable to the substantial depreciation and amortization expenses and other fixed production costs arising from our front-loaded capital expenditure for the establishment and expansion of our production facilities, which were in the ramp-up stage during the Track Record Period. From our establishment in 2020 to April 30, 2026, we incurred aggregate initial capital expenditure of approximately RMB4,063.3 million, principally in connection with the establishment and expansion of our production facilities and production capabilities. For details of gross losses and gross loss margins, please see "Financial Information — Gross Loss and Gross Margin".

Our advanced packaging portfolio comprises BGA, LGA, WLP, 2.5D/3D, as well as FC-QFN and FC-SOT, while our traditional packaging offerings include WB-QFN. For the three years ended December 31, 2023, 2024 and 2025, our revenue from advanced packaging amounted to RMB346.9 million, RMB587.2 million and RMB737.4 million in 2023, 2024 and 2025, respectively, while our revenue from traditional packaging amounted to RMB161.5 million, RMB236.5 million and RMB271.2 million, respectively.

Our position in the packaging industry is solidified by our continuous efforts in technological innovation and advancement. We have registered, and are in the process of registering, our self-developed intellectual properties. As of the Latest Practicable Date, our Group possessed 232 patents, which consisted of 41 invention patents and 191 utility model patents in the PRC, covering key areas, such as, packaging structuring, methodology, device and testing system. We also own three PCT patent applications.

We operate on an OSAT model, which allows us to focus our resources in packaging design, production and testing service, while our customer would focus on semiconductor chip design and wafer manufacturing. Since semiconductor manufacturing is a capital-intensive industry, the OSAT model enables us to allocate capital efficiently to R&D and facilities for packaging production and testing, while offering flexibility to adapt to market changes and broaden our product offerings. Our OSAT model supports traditional and advanced packaging R&D and specialized facilities, helping customers access new technologies without intensive in-house development.

OUR COMPETITIVE STRENGTHS

We believe that the following strengths contribute to our market position, ensuring our success and distinguishing us from our competitors: (i) providing end-to-end technical capabilities powered by new technology; (ii) strong market recognition with diverse customer portfolio through technical excellence; (iii) use of intelligent manufacturing and quality management system; and (iv) management team with pioneering aspirations and extensive experience.

OUR DEVELOPMENT STRATEGIES

Our business development strategies include: (i) continual R&D strengthening technological barriers; (ii) strategic expansion into overseas market; (iii) broaden our customer base and deepen our relationships with customers; (iv) steadily expand production capabilities driven by changes in market demand; and (v) strengthening talent development for long-term growth.

OUR BUSINESS MODEL

We operate under an OSAT model, focusing on delivering high-quality packaging products and testing service to meet the specific needs of our customers across different industries. The packaging workflow begins with customer engagement where clients present specific requests or respond to our proposals. This is followed by a needs analysis to develop tailored packaging technologies focused on cost, efficiency, and innovation. A customized packaging design is developed, aligned with the customer's product infrastructure. Once approved, a production schedule is formulated, covering procurement, workflow, and resource planning. After production

and final testing, the packaged products are dispatched to the customer, followed by ongoing after-sales support. Our product portfolio includes QFN, BGA, LGA, WLP and 2.5D/3D products. For details of the production process for our key packaging products, see "Business — Our Packaging Production Processes".

RESEARCH AND DEVELOPMENT

We invested resources into the R&D of our packaging technologies and products. As of April 30, 2026, we have a R&D department comprising 277 full-time employees. Our R&D initiatives are led by 27 core members, all of whom are seasoned semiconductor industry experts, with over 26% holding a master's degree or higher. For the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, we incurred R&D expenses of RMB76.6 million, RMB93.8 million, RMB86.2 million, RMB32.9 million and RMB29.8 million, respectively.

QUALITY CONTROL

We consider quality management as a core focus, and we have put in place quality control policies and procedures. We possessed IATF 16949:2016 (Automotive Industry Quality Management System) and ISO 9001:2015 certifications to standardize our quality management policies and systems. Moreover, our production process is monitored by a inspection system to prevent uninspected packaging products from passing our checks and delivery to the customers.

CUSTOMERS AND SUPPLIERS

Our suppliers with respect to trade related items primarily include suppliers providing raw materials such as substrates, lead frames, bonding wires and epoxy molding compounds, electricity and tooling services. Our purchases from our five largest suppliers for each year during the Track Record Period accounted for approximately 30.9%, 33.9%, 32.2% and 32.5% of our total purchases for the years ended December 31, 2023, 2024, and 2025, and the four months ended April 30, 2026, respectively. In the corresponding period, our purchase from our single largest supplier for each year during the Track Record Period account for approximately RMB45.7 million, RMB83.5 million, RMB91.7 million and RMB27.7 million, which accounted for approximately 10.4%, 15.0%, 13.3% and 11.1% of our total purchases, respectively. See "Business — Our Top Five Suppliers" for more details.

Our customers primarily include upstream direct customers of fabless semiconductor companies. Revenue contributed by our five largest customers for each year during the Track Record Period accounted for approximately 50.4%, 53.0%, 54.6% and 55.0% of our total revenue for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2026, respectively. In the corresponding period, our sales to our single largest customer for each year during the Track Record Period account for approximately RMB138.8 million, RMB204.0 million, RMB248.3 million and RMB71.0 million which accounted for approximately 27.3%, 24.7%, 24.5% and 19.7% of our revenue, respectively. See "Business — Our Top Five Customers" for more details.

INTELLECTUAL PROPERTY

We regard our patents, trademarks, trade secrets and other intellectual property rights as critical to our business operations. As of the Latest Practicable Date, our Group had 232 registered patents, which consisted of 41 invention patents and 191 utility model patents in the PRC. We also owned three PCT patent applications. As of the Latest Practicable Date, we had 24 registered trademarks and nine registered copyrights in the PRC. We are also the registered owner of three domain names.

PRODUCTION BASES

During the Track Record Period, the designed production capacity of our Nanjing production base increased from approximately 4,013.8 million units in 2023 to 5,581.8 million units in 2024 and 6,410.8 million units in 2025, while its actual production volume increased from approximately 2,499.3 million units to 4,313.8 million units and 5,416.7 million units, respectively. Accordingly, its utilisation rate improved from 62.3% in 2023 to 77.3% in 2024 and 84.5% in 2025. For the four months ended April 30, 2026, its designed production capacity and actual production volume were approximately 2,144.2 million units and 1,715.8 million units, respectively, representing a utilisation rate of 80.0%, compared with 72.7% for the corresponding period in 2025. Our Yangzhou production base commenced operations in July 2025 and remained in the production ramp-up stage.

During the Track Record Period, the under-utilisation of our production facilities was one of the factors contributing to our operational losses, as fixed production costs were allocated over a lower production volume. See "Business — Analysis on Historical Losses".

RISK FACTORS

Our business and the Global Offering involve certain risks as set out in "Risk Factors" in this prospectus. You should read that section in its entirety carefully before you decide to invest in our Shares. We believe the most significant risks we face include but are not limited to the following: (a) We have been and intend to continue investing significantly in R&D, and to the extent our R&D efforts are unsuccessful, our competitive position would be negatively impacted and our business, results of operations and financial condition would be adversely affected; (b) Our business depends on our ability to protect our intellectual property rights, and we may be subject to intellectual property infringement and other claims by third parties in the PRC or other jurisdictions, which, if successful, could cause us to pay significant damages and incur other costs; (c) We have incurred gross loss and had net current liabilities and total deficit during the Track Record Period; (d) We have incurred net losses during the Track Record Period and net operating cash outflows in 2023, and we may incur net losses and net operating cash outflows in the future; (e) Our business, financial condition and results of operations may be materially and adversely affected by international trade policies, sanctions and export controls, all of which are fast evolving in the current geopolitical landscape; (f) Confidentiality agreements and non-compete covenants with employees may not adequately protect our proprietary rights; (g) We are involved in seven patent ownership proceedings brought by a former employer of certain of our key personnel and have been subject to allegations concerning trade secrets, which may expose us to further legal proceedings and substantial financial liabilities adversely affect our business, financial performance and reputation; and (h) We may increasingly rely on bank borrowings to fund our operations and business expansion, which could increase our indebtedness and adversely affect our financial condition and profitability.

See "Risk Factors" in this prospectus.

PATH TO PROFITABILITY

Since our inception in 2020, we placed great emphasis on long-term sustainable growth driven by technological advancements and mass production progress. We made substantial strategic investments in the R&D of proprietary technologies, recruitment of specialist personnel, manufacturing of products and upgrade of production facilities. Leveraging our strategic investments, we built a comprehensive product portfolio, encompassing QFN, BGA, LGA, WLP and 2.5/3D products.

In the semiconductor packaging industry, companies that adopt the OSAT model typically experience a common industry cycle, which involves incurring upfront capital expenditures and R&D expenses, along with an increase in production capacities. Consequently, we inevitably faced certain amount of upfront losses. We recorded a loss of RMB358.9 million, RMB376.6 million,

RMB483.1 million, RMB163.6 million and RMB161.9 million for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, respectively. Our operational losses during the Track Record Period were primarily due to the combined effect of: (i) the substantial depreciation and amortisation expenses arising from our front-loaded investments in production facilities and equipment; (ii) the under-utilisation of production facilities, which resulted in fixed production costs being allocated over a lower production volume; (iii) pricing pressure arising from market competition and customer negotiations; (iv) changes in the sales contribution of products with different gross margin profiles; and (v) incremental costs incurred during the ramp-up of new production facilities and products. Despite these losses, our gross loss margin improved from 38.4% in 2023 to 18.0% in 2025, and from 20.5% for the four months ended April 30, 2025 to 17.9% for the four months ended April 30, 2026.

The OSAT industry is capital-intensive in nature and generally requires substantial upfront capital investment before the relevant production facilities can generate revenue at a commercially sustainable scale. Our historical gross losses and gross loss margins were significantly attributable to the substantial depreciation and amortization expenses and other fixed production costs arising from our front-loaded capital expenditure for the establishment and expansion of our production facilities, which were in the ramp-up stage during the Track Record Period. From our establishment in 2020 to April 30, 2026, we incurred aggregate initial capital expenditure of approximately RMB4,063.3 million, principally in connection with the establishment and expansion of our production facilities and production capabilities. According to Frost & Sullivan, comparable OSAT companies or newly established OSAT production facilities typically achieve gross profit breakeven within approximately three to nine years, net profit breakeven within approximately four to ten years and recover their initial capital investment within approximately nine to fifteen years from their establishment or initial investment, and the nature and magnitude of our initial capital expenditure and our expected qualification and validation, trial production, production ramp-up, breakeven and investment payback timetable are in line with the industry norms.

We believe our robust R&D pipeline, scalable production capabilities, comprehensive product portfolio as well as mass production capabilities have laid a solid foundation for our business sustainability and long-term development. In particular, we expect that our profitability will be enhanced in the future, primarily attributable to: (i) increase in revenue; (ii) gross margin improvement; and (iii) control of operating expenses by enhancing operational efficiency. Our progress in implementing these strategies is set out below:

(a) **Increasing revenue.** Our revenue increased from RMB509.1 million in 2023 to RMB1,012.2 million in 2025, representing a CAGR of 41.0%, and increased by approximately 17.4% from RMB306.4 million for the four months ended April 30, 2025 to RMB359.7 million for the four months ended April 30, 2026. Our production volume of packaging products increased from approximately 2,499 million units in 2023 to approximately 5,460 million units in 2025, and from approximately 1,580 million units to approximately 1,770 million units for the same four-month periods. Our net dollar retention rate remained above 100% throughout the Track Record Period.

    (i) **Growth with semiconductor packaging industry.** According to Frost & Sullivan, the global semiconductor packaging and testing market increased from RMB495.6 billion to RMB804.8 billion with a CAGR of 10.2% from 2020 to 2025. During this period, the PRC market achieved a market size of RMB314.4 billion in 2025, with a CAGR of 12.4% from 2020 to 2025. Looking ahead, the global semiconductor market is expected to grow to RMB1,383.1 billion by 2030 with a global CAGR of 11.4% from 2025 to 2030. The PRC market is projected to maintain strong growth momentum and will reach RMB598.2 billion by 2030 with a CAGR of 13.7% from 2025 to 2030.

(ii) **Solidifying with existing customers.** In response to the strong demand for traditional and advanced packaging, we intend to acquire more customers in the industry, as well as increase the penetration rate of traditional and advanced packaging products, we plan to (a) strengthen our cooperation with existing customers while actively acquiring new customers in the PRC and Taiwan, China to support continued revenue growth, and (b) increase our production capacity, proactively planning and expanding to seize market opportunities in downstream sectors.

(iii) **Continuing to source new customers.** We secured high-profile customers during the Track Record Period. Moreover, our revenue growth is supported by the expansion of customer collaborations in advanced packaging, as we have strengthened R&D and production capabilities of packaging for GPUs, optical modules, and high-end AI power management chips since 2025. In particular, Customer Q that engages its business in the optical module sector, which has recently entered into a cooperation agreement with us to procure our services, including production of bumping, together with mainly engineering qualification services for 2.5D packaging, and 2.5D packaging, with considerable service fees for the two years ended December 31, 2027 which is subject to purchase orders; and we do not expect such purchase orders to have material adverse effect on our gross margin. The Company believes that the project with Customer Q can be fulfilled, considering that: (a) according to Frost and Sullivan, there are around 10 service providers that can provide 2.5D packaging for Customer Q's product in the PRC, among which the Company is one of them. This constrained supplier pool creates a market position favorable to the Company; (b) the Company's technical qualification as one of the few 2.5D solution providers in the PRC demonstrates it has already overcome core technical barriers. This technical readiness forms the foundational prerequisite to ramp up production capacity and scale 2.5D packaging business to fulfill such purchase order; (c) the cooperation with Customer Q proceeds smoothly with ongoing validation of packaging processes and samples, as the overall project is progressing on plan. Specifically, we have achieved mass production readiness for bumping production processes applied to Customer Q's products, and completed internal technical validation (Stage 1) and the reliability validation of mechanical samples (Stage 2) for 2.5D packaging. In August 2026, we commenced production under Customer Q's engineering purchase order, and we expect to deliver functional samples to Customer Q by the end of October 2026 and target to commence small-batch production (Stage 3) in the first quarter of 2027.

(iv) **Strengthening stickiness of existing customers with high client retention rate.** The relationships we cultivate with our customers also foster loyalty, resulting in repeat business and referrals that further expand our reach. For the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2026, we generated revenue from 127, 133, 161 and 121 customers, respectively. For the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2026, our customer retention rates, which is calculated based on the percentage of customers for the immediately preceding year which remained to be our customers contributing revenue for the following year, divided by the total number of customers at the beginning of the year who had contributed revenue to us in the immediate preceding year, were approximately 77.4%, 79.5%, 79.0% and 64.6%, respectively, representing 96, 101, 105 and 104 retained customers for the same period.

(v) **Increasing production capacity to capture increasing market opportunities.** We plan to increase our production capacity in response to the significant growth in packaging markets and the increasing penetration of our packaging products. We expect to incur additional capital expenditure to cater for the increase in production capacity. As of April 30, 2026, we had capital commitments related to property, plant and equipment of RMB597.3 million. In 2025, the utilization rate of our Nanjing production base reached approximately 84.5%, while our Yangzhou production base, which commenced operations in July 2025, remained in the production ramp-up stage.

Notwithstanding the historical under-utilisation of our existing production facilities and the fact that our Yangzhou production base was still in the production ramp-up stage, our Directors believe that the construction of the new production facility using part of our net proceeds from the Global Offering is commercially justified in light of our Group's planned future business growth and anticipated customer demand, taking into account our proven business growth, as evidenced by the increase in revenue from approximately RMB509.1 million in 2023 to RMB1,012.2 million in 2025, production volume from approximately 2,499 million units to 5,460 million units, and customer base from 127 to 161 during the same period, as well as the Group's strong R&D capabilities, diversified product offerings and portfolio of 232 patents in the PRC. Given the high requirements of semiconductor packaging and testing production bases in terms of production environment, equipment configuration and customer validation processes, the construction of a new production base generally involves a lengthy construction, commissioning and customer introduction period. It generally takes approximately three years from the commencement of construction to customer acceptance and stable mass production, according to our Directors. Accordingly, we resolved to commence the construction of the production base and new production lines to proactively prepare for future production capacity requirements and meet the expected growth in customer orders in the coming years. See "Business — Path to Profitability — Increasing Revenue — Increasing production capacity to capture increasing market opportunities".

(vi) **Continuing technology development for mass production to enhance new product offering.** The continual development and iteration of packaging products enables us to offer more solutions with better performance to customers. The diversification and enhancement of our product offerings would also allow us to meet the diverse needs of customers, thereby driving order volume and contributing to sustained revenue growth. The development and commercialization roadmap of us can be seen as a two-layer structure, which includes mature packaging products and technologies, namely, QFN, BGA, LGA, WLP and 2.5D/3D (FOCT-R) as its cash-generating foundation, and future packaging products and technologies, namely, 2.5D/3D (FOCT-S, FOCT-L, SETiS/RETiS, CPO), TXV (TMV and TGV), X-SiP (EMI Shielding SiP, EMI Shielding DSmSiP, OLGA) to further its long-term growth driver. In 2026, we plan to focus on continuing the technological research and development of future packaging products and technologies, namely, 2.5D/3D (FOCT-S, FOCT-L, CPO), TXV (TMV and TGV), X-SiP (EMI Shielding SiP, EMI Shielding DSmSiP, OLGA). The Company targets to initiate the commercialization of FOCT-S, CPO, TMV, EMI Shielding SiP, EMI Shielding DSmSiP and OLGA in 2026-2028. In 2027-2029, we target to enter more advanced commercialization phases by adding SETiS/RETiS, FOCT-L and TGV into its commercialization, which supports further revenue scaling. Since its establishment, we have focused on R&D and technological innovation of packaging products, and have built a professional R&D headquartered in Nanjing, China. The upfront capital investment in R&D forms the foundation for the iteration and commercialization of our products. Prior to the Track Record Period, our historical upfront R&D capital investment since incorporation reached approximately RMB7.19 million cumulatively. Such continuous and targeted capital input has enabled us to form technical

accumulation in packaging product specifications, structural performance, functional characteristics and application scenarios, laying a solid foundation for the commercialization and iteration of existing and pipeline products. The principal existing and pipeline products are commercially significant to us in a number of ways. Backed by investment and technical accumulation, our existing packaging products possess market competitiveness and commercial value and constitute our main operating revenue stream. Our established packaging portfolio, namely QFN, BGA, LGA, WLP and 2.5D/3D (FOCT-R), spans diverse standard and custom specifications to satisfy standard and customised packaging requirements of diverse customers across consumer electronics, communication, industrial & medical, car electronic and data center sectors. Our ongoing upfront R&D capital expenditure facilitates iteration of existing products and development of pipeline products and technologies, namely, 2.5D/3D (FOCT-S, FOCT-L, SETiS/RETiS, CPO), TXV (TMV and TGV), X-SiP (EMI Shielding SiP, EMI Shielding DSmSiP, OLGA), which serve as the core driver of its future business expansion. We have completed internal technical validation for all of our pipeline packaging technologies, among which CPO, EMI Shielding SiP and OLGA have entered customer product validation. There were no delayed or failed validation projects during the Track Record Period.

(b) **Gross margin improvement.** As our business and revenue grew during the Track Record Period, we benefited from economies of scale and experienced an improvement in the gross loss margins of packaging products.

(i) **Product mix.** To enhance our gross margin profile and mitigate exposure to loss-making product lines, we implemented a strategy to improve the profitability of our product mix. Under this strategy, we review the profitability of our products and customer orders and seek to increase sales of products and accept orders that are expected to generate relatively higher gross margins or lower gross losses, while reducing or gradually discontinuing products and orders that consistently generate significant gross losses. This strategy involves conducting analyses of purchasing patterns to identify customers whose procurement is concentrated in packaging products with structurally low or negative margins. For such customers, we adjust our product mix by phasing out low-margin offerings, tightening supply allocation, and seeking to encourage a shift towards products with better margin profiles by, among other things, prioritising production capacity and engineering resources for such products and negotiating selling prices and other commercial terms having regard to the relevant production costs and technical requirements. In particular, for certain customers, we have worked with them to develop and validate new packaging products and specifications with relatively higher gross margins and, following successful development and validation, allocated production capacity to support their subsequent production and procurement. As a result, the aggregate gross loss margin for our top ten customers narrowed from 27.2% in 2023 to 14.3% in 2025, and was 13.8% for the four months ended April 30, 2026. We believe these measures have laid a robust foundation for sustainable margin expansion and improved customer quality going forward.

(ii) **Customer portfolio.** Our customer portfolio optimization strategy focuses on expanding our business with selected customers with demand for higher-margin products and growth potential, while gradually reducing our involvement in persistently loss-making or lower-margin projects. We believe that such customers are willing to maintain or expand their cooperation with us primarily in view of our established business relationships and our ability to meet their technical, production and delivery requirements. Our measures focus on scaling the volumes of products with comparatively higher gross margins, renegotiating pricing terms and gradually reducing orders from persistently loss-making projects for certain customers, thereby facilitating the optimization of our customer portfolio and the gradual improvement of our overall profitability.

(iii) **Sales structure.** To ensure efficient communication and accelerate adoption of new products: (i) we establish a dedicated key account manager system to coordinate internal resources and resolve technical issues. Under such system, our key account managers coordinate among our customers and our R&D, production and quality departments throughout the new product development process. (ii) Weekly review meetings will be held to monitor product development progress. The key account managers organize weekly cross-department review meetings to track the full product development progress. (iii) Quarterly business review (QBR) sessions will strengthen client engagement and loyalty. During the QBR sessions, our key account managers communicate with key customers regarding new product development progress and customers' product development plans and requirements. (iv) In parallel, we optimize our customer-specific documentation system to quickly align with customer quality and technical requirements, enabling rapid evaluation and timely feedback. Together with the timely internal and external coordination by our key account managers, these measures have improved the efficiency of new product development with our customers. Such stable customer relationships provide us with opportunities to secure new product development and subsequent mass production orders, thereby supporting the expansion of our production scale, improved fixed cost absorption and the gradual improvement of our gross margin. In particular, our aggregate actual production volume increased from approximately 2.5 billion units in 2023 to 4.3 billion units in 2024 and further to 5.5 billion units in 2025, while our overall gross loss margin narrowed from 38.4% to 20.1% and 18.0%, respectively. For the four months ended April 30, 2026, our aggregate actual production volume increased to approximately 1.8 billion units from approximately 1.6 billion units for the corresponding period in 2025, while our overall gross loss margin narrowed from 20.5% to 17.9%.

(iv) **Supply chain management.** Effective supply chain management is vital to reducing costs and enhancing profitability. By diversifying supplier base, we fostered price competition while maintaining product quality. At the same time, as our sales scale and production output increase, our bargaining power with suppliers has increased, enabling more favorable procurement prices for raw materials. We have adopted a series of measures to achieve procurement savings, including leveraging market competition pressure by introducing new suppliers or utilizing competition among existing suppliers, engaging in direct price negotiations based on market conditions and cost analysis to secure more favourable unit prices.

(v) **Production costs reduction.** To reduce the costs of sales, we have taken cost control measures as follows: (a) Raw material costs. To reduce raw material costs we have entered into long-term supply contracts with a number of our raw material suppliers, including the top five suppliers (other than the electricity supplier) as well as certain other suppliers that are not among the top five suppliers. (b) Labor costs. To reduce reliance on manual labor, we invested in automation and robotics, implementing cost-reduction projects across different production stations through dedicated project management, thereby lowering labor dependence and overall labor costs. (c) Utility costs. To reduce utility costs, we upgraded to high-efficiency equipment and implemented measures, such as, monthly reviews of energy consumption and equipment utilization, installation of solar energy storage to balance peak and off-peak electricity usage, adoption of automation and artificial intelligence to replace repetitive manual tasks, and simplification of redundant production steps. As we adopted measures to enhance cost efficiency and achieve economies of scale, the total of material costs and utilities costs among cost of sales as a percentage of revenue decreased since 2023, from 55.9% in 2023 to 50.5% in 2024, and further to 49.8% in 2025. The total of material costs and utilities costs among cost of sales as a percentage of revenues decreased from

50.3% for the four months ended April 30, 2025 to 48.2% for the four months ended April 30, 2026. Specifically, depreciation and amortization allocated to cost of sales as a percentage of revenue decreased from 35.7% in 2023 to 29.1% in 2024, and remained low at 30.1% in 2025. The depreciation and amortization allocated to cost of sales as a percentage of revenue increased from 29.5% to 33.0% for the four months ended April 30, 2025 and 2026 respectively, mainly due to the increased depreciation resulted from our purchase of new equipment to support our business development and expansion. Labor costs allocated to cost of sales as a percentage of revenue decreased from 30.6% in 2023, further to 27.2% in 2024, and to 25.3% in 2025. Labor costs allocated to cost of sales as a percentage of revenue decreased from 28.2% for the four months ended April 30, 2025, to 24.9% for the four months ended April 30, 2026. As orders for packaging products continue to grow and as our in-house production lines ramp up, we expect production line utilization to further improve, driving additional reductions in depreciation and expanding product profitability.

(c) **Improving operating efficiency.** In terms of operating expenses, we intend to efficiently manage expenses as a percentage of our total revenues and expect margin improvements from economies of scale and enhanced operating efficiency. In particular:

(i) **Selling and distribution expenses.** Selling and distribution expenses as a percentage of revenue decreased from 1.8% in 2023 to 1.2% in 2024, and remained relatively low at 1.2% in 2025. The percentage decreased from 1.3% for the four months ended April 30, 2025, to 1.2% for the four months ended April 30, 2026. We expect to maintain continual improvement of marketing efficiency, benefiting from our positive market image, solid industry reputation and diverse product offerings.

(ii) **Administrative expenses.** Administrative expenses as a percentage of revenue decreased from 10.5% in 2023 to 7.5% in 2024, and increased to 11.6% in 2025, primarily due to increase in equity-settled share-based payment expense. The percentage decreased from 14.1% for the four months ended April 30, 2025, to 7.9% for the four months ended April 30, 2026. We expect more effective management of administrative expenses through the optimization of team structure, which includes introducing budgeting protocols, conducting regular financial audits and fostering a cost-conscious culture.

(iii) **R&D expenses.** R&D efficiency improved significantly during the Track Record Period. During the Track Record Period, the R&D expenses as a percentage of revenue improved from 15.1% in 2023, to 11.3% in 2024, and remained relatively low from 8.5% in 2025. The percentage decreased from 10.7% for the four months ended April 30, 2025, to 8.3% for the four months ended April 30, 2026. We expect these trends to continue, as: (a) it strives to develop and optimize R&D technologies to improve R&D efficiency, leveraging on CAPiC platform to focus R&D in future cutting-edge packaging know-how and facilitate collaboration with renowned universities to innovate packaging technologies; and (b) R&D team was well-established and expected to remain stable in the near future.

In summary, the loss for the period incurred during the Track Record Period reflect our strategic focus on business growth, technological enhancement and the expansion of product portfolio, all of which pave the way for long-term profitability. As our technologies mature and product offering continues to expand, we are poised to meet the diverse needs of its customers and drive further revenue growth. For details, see "Business — Path to Profitability".

Based on the due diligence work conducted by the Sole Sponsor, including reviewing our financial forecasts and the underlying bases and assumptions, conducting discussions with our management and major customers and suppliers, and reviewing the industry report prepared by Frost & Sullivan, the Sole Sponsor is of the view that the above strategies are reasonable and, if implemented as planned, are expected to enable us to continue to improve our financial performance and achieve profitability.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

Key Items of the Consolidated Statements of Profit or Loss and Other Comprehensive Income

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

	For the year ended December 31,			For the four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Revenue	509,077	827,374	1,012,159	306,371	359,672
Cost of sales	(704,700)	(993,932)	(1,194,623)	(369,063)	(423,933)
Gross loss	(195,623)	(166,558)	(182,464)	(62,692)	(64,261)
Other income and gains	70,597	101,699	68,326	22,461	23,416
Selling and distribution expenses	(9,007)	(10,302)	(11,887)	(3,962)	(4,242)
Administrative expenses	(53,425)	(62,313)	(117,374)	(43,338)	(28,256)
R&D expenses	(76,623)	(93,764)	(86,166)	(32,879)	(29,846)
(Provision for impairment)/ reversal of impairment of financial assets, net	(2,372)	(3,818)	1,605	2,353	(1,705)
Other expenses	(4,954)	(12,800)	(1,458)	(1,713)	(868)
Finance costs	(88,502)	(129,355)	(153,670)	(43,867)	(56,144)
Share of profit of a joint venture	1,017	633	–	–	–
Loss before tax	(358,892)	(376,578)	(483,088)	(163,637)	(161,906)
Income tax expense	–	–	–	–	–
Loss for the year	(358,892)	(376,578)	(483,088)	(163,637)	(161,906)
Other comprehensive income	–	–	–	–	–
Total comprehensive loss for the year	**(358,892)**	**(376,578)**	**(483,088)**	**(163,637)**	**(161,906)**
Total comprehensive loss attributable to:					
Owners of the parent	(348,795)	(356,118)	(437,165)	(155,648)	(138,044)
Non-controlling interests	(10,097)	(20,460)	(45,923)	(7,989)	(23,862)
	(358,892)	(376,578)	(483,088)	(163,637)	(161,906)
Loss per share attributable to ordinary equity holders of the parent					
Basic and diluted (RMB)	(0.44)	(0.40)	(0.47)	(0.17)	(0.14)

Non-IFRS Financial Measures

To supplement our consolidated financial statements, which are presented in accordance with IFRS, we also use adjusted net loss (Non-IFRS measure) and adjusted EBITDA (Non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with IFRS. We believe these non-IFRS measures facilitate comparisons of operating performance from year to year and company to company by eliminating potential impacts of certain items. We believe these measures provide useful information to investors and others in understanding and evaluating our combined results of operations in the same manner as they help our management. However, such non-IFRS financial measures we presented may not be directly comparable to similar measures presented by other companies. The use of these non-IFRS measures should not be considered as substitute for analysis of, our results of operations or financial condition as reported under IFRS.

The following table reconciles our adjusted net loss (Non-IFRS measure) and adjusted EBITDA (Non-IFRS measure).

	For the year ended December 31,			For the four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Loss for the year/period	(358,892)	(376,578)	(483,088)	(163,637)	(161,906)
Add:					
Interest on redemption liabilities[(1)]	66,499	103,028	124,957	35,439	43,809
Share-based payment expenses[(2)]	26,080	35,682	74,529	41,058	15,773
IPO expenses	–	–	9,695	–	1,302
Adjusted net loss (non-IFRS measure)	**(266,313)**	**(237,868)**	**(273,907)**	**(87,140)**	**(101,022)**
Add:					
Interest on bank and other borrowings & interest on lease liabilities & others	22,003	26,327	28,713	8,428	12,335
Depreciation and amortization	200,933	272,743	330,116	100,134	130,923
Subtract:					
Interest income	3,452	1,432	1,011	156	245
Adjusted EBITDA (non-IFRS measure)	**(46,829)**	**59,770**	**83,911**	**21,266**	**41,991**

Notes:

(1) We adjust interest on redemption liabilities because it is a non-cash item. It arises from redemption rights issued to Pre-IPO Investors, which will be terminated and re-designated to equity upon Listing.

(2) We adjust share-based payment expenses because they are non-cash in nature.

Revenue

During the Track Record Period, we generated revenue from the provision of packaging products and testing service and others. We recorded total revenue of RMB509.1 million, RMB827.4 million, RMB1,012.2 million, RMB306.4 million and RMB359.7 million for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, respectively. The following table sets forth a breakdown of our revenue by business segments for the periods indicated.

	For the year ended December 31,						For the four months ended April 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(unaudited)			
– QFN[(1)]	172,831	34.0	277,016	33.6	313,183	30.9	90,266	29.5	123,784	34.4
– BGA[(2)]	183,455	36.0	244,084	29.5	305,549	30.2	102,873	33.6	97,340	27.1
– LGA[(3)]	82,003	16.1	149,955	18.1	213,032	21.1	60,305	19.7	86,478	24.0
– WLP[(4)]	70,057	13.8	152,003	18.4	176,541	17.4	52,229	17.0	50,751	14.1
– 2.5D/3D[(5)]	5	–	603	–	244	–	–	–	–	–
Provision of packaging products and testing service	508,351	99.9	823,661	99.6	1,008,549	99.6	305,673	99.8	358,353	99.6
Others[(6)]	726	0.1	3,713	0.4	3,610	0.4	698	0.2	1,319	0.4
Total	**509,077**	**100.0**	**827,374**	**100.0**	**1,012,159**	**100.0**	**306,371**	**100.0**	**359,672**	**100.0**

Notes:
(1) QFN includes FC-QFN, WB-QFN and FC-SOT, of which FC-QFN and FC-SOT are advanced packaging products and WB-QFN is a traditional packaging product.
(2) BGA includes FC-BGA, WB-BGA and Hybrid-BGA, all of which are advanced packaging products.
(3) LGA includes FC-LGA, WB-LGA, Hybrid LGA and SiP-LGA, all of which are advanced packaging products.
(4) WLP includes Bumping, DPS, WLP (Fan-In) and WLP (Fan-Out), all of which are advanced packaging products.
(5) 2.5D/3D includes FOCT-R, which is an advanced packaging product.
(6) Others mainly include the sales of scrap and materials.

The table below details the percentage of our total sales during the Track Record Period based on geographical regions as follows:

	For the year ended December 31,						For the four months ended April 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(unaudited)			
PRC	489,264	96.1	807,167	97.6	957,873	94.6	302,651	98.8	337,002	93.7
Taiwan, China	–	–	253	–	9,154	0.9	788	0.2	12,382	3.4
Hong Kong	18,826	3.7	19,289	2.3	9,703	1.0	2,932	1.0	5,017	1.4
United States	987	0.2	665	0.1	35,429	3.5	–	–	5,271	1.5
Total	**509,077**	**100.0**	**827,374**	**100.0**	**1,012,159**	**100.0**	**306,371**	**100.0**	**359,672**	**100.0**

Gross Loss and Gross Margin

The following table sets forth a breakdown of our gross loss and gross margin by type of goods or service for the periods indicated.

	For the year ended December 31,						For the four months ended April 30,			
	2023		2024		2025		2025		2026	
	Gross loss	*Gross margin*	*Gross loss*	*Gross margin*	*Gross loss*	*Gross margin*	*Gross loss*	*Gross margin*	*Gross loss*	*Gross margin*
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(unaudited)			
Packaging products and testing service	(196,347)	(38.6)	(170,009)	(20.6)	(184,955)	(18.3)	(63,343)	(20.7)	(65,262)	(18.2)
Others[(1)]	724	99.7	3,451	92.9	2,491	69.0	651	93.3	1,001	75.9
Total	**(195,623)**	**(38.4)**	**(166,558)**	**(20.1)**	**(182,464)**	**(18.0)**	**(62,692)**	**(20.5)**	**(64,261)**	**(17.9)**

Note:

(1) Others mainly include the sales of scrap and materials.

Selected Items from our Consolidated Statements of Financial Position

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

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Total non-current assets	2,144,066	2,603,009	3,184,933	3,268,372
Total current assets	691,763	618,688	816,764	839,444
Total assets	**2,835,829**	**3,221,697**	**4,001,697**	**4,107,816**
Total non-current liabilities	(2,584,858)	(2,917,727)	(3,546,089)	(3,686,897)
Total current liabilities	(1,001,533)	(1,219,650)	(1,687,748)	(1,719,192)
Total liabilities	**(3,586,391)**	**(4,137,377)**	**(5,233,837)**	**(5,406,089)**
Net liabilities	**(750,562)**	**(915,680)**	**(1,232,140)**	**(1,298,273)**
Net current liabilities	**(309,770)**	**(600,962)**	**(870,984)**	**(879,748)**

Our net current liabilities increased to RMB879.7 million as of April 30, 2026 from RMB871.0 million as of December 31, 2025, primarily due to (i) an increase of RMB119.3 million in interest-bearing bank and other borrowings under current liabilities; (ii) a decrease of RMB54.7 million in financial assets at fair value through profit or loss; (iii) a decrease of RMB12.6 million in restricted cash; and (iv) a decrease of RMB30.6 million in cash and cash equivalents, partially offset by (i) a decrease of RMB15.8 million in trade and bills payables; (ii) a decrease of RMB77.4 million in other payables and accruals; (iii) an increase of RMB30.5 million in inventories; (iv) an increase of RMB67.3 million in prepayments, other receivables and other assets; and (v) an increase of RMB25.7 million in pledged deposits.

Our net current liabilities increased to RMB871.0 million as of December 31, 2025 from RMB601.0 million as of December 31, 2024, primarily due to (i) an increase of RMB45.4 million in trade and bills payables; (ii) an increase of RMB189.1 million in other payables and accruals; (iii) an increase of RMB224.1 million in interest-bearing bank and other borrowings under current liabilities, partially offset by (i) an increase of RMB29.1 million in inventories; (ii) an increase of RMB37.7 million in trade and bills receivables; (iii) an increase of RMB64.3 million in financial assets at fair value through profit or loss; and (iv) an increase of RMB60.5 million in cash and cash equivalents.

Our net current liabilities increased to RMB601.0 million as of December 31, 2024 from RMB309.8 million as of December 31, 2023, primarily due to (i) a decrease of RMB59.2 million in financial assets at fair value through profit or loss; (ii) a decrease of RMB25.8 million in restricted cash; (iii) a decrease of RMB80.5 million in cash and cash equivalents; (iv) an increase of RMB41.1 million in trade and bills payables; (v) an increase of RMB130.8 million in other payables and accruals; and (vi) an increase of RMB58.1 million in current portion of interest-bearing bank and other borrowings, partially offset by (i) an increase of RMB12.1 million in inventories; (ii) an increase of RMB22.1 million in trade and bills receivables; (iii) an increase of RMB49.3 million in prepayments, other receivables and other assets; (iv) an increase of RMB11.7 million in pledged deposits; and (v) a decrease of RMB11.9 million in current portion of lease liabilities.

We recorded net liabilities of RMB750.6 million, RMB915.7 million, RMB1,232.1 million and RMB1,298.3 million as of December 31, 2023, 2024 and 2025 and April 30, 2026, respectively. The continuous increase in our net liabilities during the Track Record Period was primarily a combined result of: (i) our significant net losses recorded during the Track Record Period; and (ii) the recognition of redemption liabilities on equity shares. As we conducted several series of Pre-IPO financings, certain investors were granted certain rights, including redemption rights. The obligations arising from these rights are recognized and presented as financial liabilities, which substantially reduced our total equity and drove us into a net liability position. Upon the Listing, the relevant special rights will be terminated and the associated redemption liabilities will be derecognized and reclassified as equity. This conversion will eliminate the redemption liability balance from our consolidated statements of financial position. Accordingly, our net liabilities are expected to be reversed into net assets upon the Listing, reflecting the reclassification of shares from liabilities to equity.

Summary of the Consolidated Statements of Cash Flow

	For the year ended December 31,			For the four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Cash flows generated from/(used in) operating activities	(70,661)	135,372	39,960	110,723	(108,150)
Cash flows used in investing activities	(655,440)	(644,620)	(804,966)	(140,949)	(214,663)
Cash flows from financing activities	703,902	428,292	825,180	86,053	288,536
Net increase/(decrease) in cash and cash equivalents	(22,199)	(80,956)	60,174	55,827	(34,277)
Cash and cash equivalents at beginning of year/period	185,841	163,695	83,166	83,166	143,698

	For the year ended December 31,			For the four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Effect of foreign exchange rate changes, net	53	427	358	1,139	3,643
Cash and cash equivalents at the end of year/period	**163,695**	**83,166**	**143,698**	**140,132**	**113,064**

For the four months ended April 30, 2026, our net cash used in operating activities was RMB108.2 million. Our net cash used in operating activities is calculated by adjusting our loss before tax of RMB161.9 million by (i) non-cash items, which primarily included (a) depreciation of property, plant and equipment of RMB124.8 million, representing approximately 34.7% of our revenue for the four months ended April 30, 2026; (b) deferred government grants of RMB18.4 million; (c) share-based payment expenses of RMB15.8 million; and (d) finance costs of RMB56.1 million; and (ii) changes in working capital, which primarily included (a) increase in restricted cash and pledged bank deposits of RMB13.2 million; (b) increase in inventories of RMB33.9 million; (c) increase in prepayments, other receivables and other assets of RMB66.9 million; (d) decrease in trade and bills payables of RMB15.8 million; (e) decrease in other payables and accruals of RMB10.2 million; and (f) increase in deferred income of RMB18.5 million.

In 2025, our net cash generated from operating activities was RMB40.0 million. Our net cash generated from operating activities is calculated by adjusting our loss before tax of RMB483.1 million by (i) non-cash items, which primarily included (a) depreciation of property, plant and equipment of RMB313.8 million, representing approximately 31.0% of our revenue in 2025; (b) depreciation of right-of-use assets of RMB10.1 million; (c) deferred government grants of RMB60.2 million; (d) share-based payment expenses of RMB74.5 million; and (e) finance costs of RMB153.7 million; and (ii) changes in working capital, which primarily included (a) increase in inventories of RMB25.1 million; (b) decrease in prepayments, other receivables and other assets of RMB73.7 million; (c) increase in trade and bills payables of RMB45.4 million; (d) increase in trade and bills receivables of RMB110.5 million; (e) increase in other payables and accruals of RMB25.2 million; and (f) increase in deferred income of RMB29.5 million.

In 2024, our net cash generated from operating activities was RMB135.4 million. Our net cash generated from operating activities is calculated by adjusting our loss before tax of RMB376.6 million by (i) non-cash items, which primarily included (a) depreciation of property, plant and equipment of RMB257.9 million, representing approximately 31.2% of our revenue in 2024; (b) depreciation of right-of-use assets of RMB10.1 million; (c) deferred government grants of RMB94.3 million; (d) share-based payment expenses of RMB35.7 million; (e) finance costs of RMB129.4 million; and (ii) changes in working capital, which primarily included (a) decrease in restricted and pledged bank deposits of RMB14.0 million; (b) increase in inventories of RMB10.0 million; (c) decrease in prepayments, other receivables and other assets of RMB60.5 million; (d) increase in trade and bills payables of RMB40.8 million; (e) increase in trade and bills receivables of RMB46.8 million; and (f) increase in deferred income of RMB90.6 million.

In 2023, our net cash used in operating activities was RMB70.7 million. Our cash used in operating activities is calculated by adjusting our loss before tax of RMB358.9 million by (i) non-cash items, which primarily included (a) depreciation of property, plant and equipment of RMB186.3 million, representing approximately 36.6% of our revenue in 2023; (b) depreciation of right-of-use assets of RMB10.7 million; (c) deferred government grants of RMB50.5 million; (d) share-based payment expenses of RMB26.1 million; (e) finance costs of RMB88.5 million; and (ii) changes in working capital, which primarily included (a) increase in restricted and pledged bank deposits of RMB29.2 million; (b) increase in inventories of RMB51.2 million; (c) decrease in prepayments, other receivables and other assets of RMB67.4 million; (d) increase in trade and bills payables of RMB26.8 million; (e) increase in trade and bills receivables of RMB87.2 million; and (f) increase in deferred income of RMB95.6 million.

KEY FINANCIAL RATIOS

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

	For the year ended/as of December 31,			For the four months ended/as of April 30,
	2023	2024	2025	2026
Revenue growth[(1)]	89.0%	62.5%	22.3%	17.4%
Gross margin[(2)]	(38.4)%	(20.1)%	(18.0)%	(17.9)%
Adjusted net loss margin (non-IFRS measure)[(3)]	(52.3)%	(28.7)%	(27.1)%	(28.1)%
Current ratio *(times)*[(4)]	0.7	0.5	0.5	0.5

Notes:

(1) Revenue growth is calculated as the period-on-period growth rate of revenue.

(2) The calculation of gross margin is based on gross loss for the period divided by revenue and multiplied by 100%. See "Financial Information — Description of Selected Components of Consolidated Statements of Profit or Loss and Other Comprehensive Income — Gross Loss and Gross Margin."

(3) Adjusted net loss margin (non-IFRS measure) is calculated based on adjusted net loss (non-IFRS measure) divided by revenue and multiplied by 100%. See "Financial Information — Non-IFRS Financial Measure" for a reconciliation from our loss for the year/period to adjusted net loss (non-IFRS measure).

(4) Current ratio is calculated as current assets divided by current liabilities as of the relevant period end.

BANKING FACILITIES

As of August 31, 2026, we had committed unutilized banking facilities of RMB1,650.2 million, comprising RMB1,020.2 million of working-capital loan facilities and RMB629.9 million of project loan facilities. The working-capital loan facilities bear interest at rates ranging from 2.11% to 2.80% per annum, are available for drawdown until dates ranging from December 29, 2026 to August 18, 2029 and, following drawdown, are generally repayable within one to two years. The project loan facilities bear interest at rates ranging from 2.75% to 3.15% per annum, are available for drawdown until dates ranging from January 22, 2027 to October 30, 2036 and, following drawdown, are repayable within a term of up to ten years. Our working-capital loan facilities are principally available for our general working capital requirements, while our project loan facilities are principally earmarked for the construction and equipment procurement of our Nanjing production base. Drawdown under certain facilities is conditional upon the provision of guarantees. Upon expiry, renewal of the relevant banking facilities remains subject to the relevant banks' reassessment and approval, having regard to factors including our then financial and operating condition, repayment and credit record and, where applicable, the provision or continuation of guarantees or other security. The facility amount, interest rate, availability period, repayment term and other terms applicable upon renewal may be adjusted by the relevant banks based on their credit assessment and prevailing market conditions.

As advised by our PRC Legal Adviser, the relevant banks generally may not withdraw or materially reduce the committed banking facilities during their respective contractual availability periods, save upon the occurrence of circumstances including, where applicable, a material deterioration in our operations or financial condition which may materially affect our repayment capability. As of the Latest Practicable Date, none of such circumstances had occurred and we had not received any notice from the relevant banks proposing to withdraw or materially reduce such facilities. Having taken into account our historical drawdown and renewal experience and established banking relationships, our compliance with repayment obligations and financing covenants, the historical increase in banking facilities made available to us and the absence of any

proposed withdrawal or material reduction of such facilities, our Directors are of the view, and the Sole Sponsor concurs, that the assumptions regarding the continued availability and renewal of our banking facilities are reasonable, and expect that such banking facilities will remain available for drawdown during their respective contractual availability periods and will be renewed upon expiry. For details, see "Financial Information — Indebtedness — Interest-bearing bank and other borrowings".

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

As of the Latest Practicable Date, Mr. Zhang Guodong, Mr. Pan Mingdong, Mr. Liu Yi, Ningtaixin and Ningpuxin, our Single Largest Group of Shareholders, by virtue of the concert party agreement dated June 8, 2023, are entitled to exercise an aggregate of 24.95% voting rights at the general meeting of our Company. It is expected that the concert party agreement will remain effective upon Listing and for an initial period of five years following our Company's listing on any stock exchange, and will be automatically renewed upon expiry of such five-year period without any further action by the parties.

Immediately after completion of the Global Offering, our Single Largest Group of Shareholders, by virtue of the aforesaid concert party agreement, will be entitled to exercise or control the exercise of an aggregate of 22.45% voting rights at the general meeting of our Company. Therefore, Mr. Zhang Guodong, Mr. Pan Mingdong, Mr. Liu Yi, Ningtaixin and Ningpuxin will constitute the Single Largest Group of Shareholders of our Company under the Listing Rules upon Listing.

Pre-IPO Investments

We have undertaken several rounds of Pre-IPO Investments since 2020. See "History, Development and Corporate Structure — Pre-IPO Investments" for details of our Pre-IPO Investments.

DIVIDEND

No dividend had been paid or declared by our Company during the Track Record Period. There is no assurance that dividends of any amount will be declared or distributed in any year. Although currently we do not have a formal dividend policy or a fixed dividend distribution ratio, our Board may declare dividends in the future after taking into account various factors, including our future earnings and cash inflows, future plan for use of funds, long-term development of our business, statutory reserves, discretionary common reserve funds, legal and regulatory restrictions, and other factors which our Directors consider relevant. Distribution of dividends will be decided by our Board at their discretion and will be subject to Shareholders' approval. In addition, our dividend policy will also be subject to our Articles of Association, the PRC Company Law and any other applicable PRC laws and regulations. As advised by our PRC Legal Adviser, under the PRC Company Law and our Articles of Association, we are not permitted to declare or pay dividends while we are in a net liabilities position. We may only declare and pay dividends out of distributable profits after making up our accumulated losses and making the requisite appropriations to statutory reserves in accordance with applicable PRC laws and regulations. In any event, we will pay dividends out of our profit after tax only after we have made the following allocations: (a) recovery of accumulated losses, if any; (b) allocation to the statutory common reserve fund an amount of 10% of our profit after tax, as determined under the Accounting Standards for Business Enterprises issued by the MOF (the "**PRC GAAP**") until such fund has reached more than 50% of our registered capital; and (c) allocation, if any, to a discretionary common reserve fund an amount approved by the shareholders in a shareholders' meeting. Payment of dividends is subject to restrictions under PRC laws. Under PRC laws, dividends may be paid only out of distributable profits. Distributable profits are our net profit, less any recovery of accumulated losses and appropriations to statutory and other reserves that we are required to make.

KEY U.S. LAWS AND REGULATIONS CONCERNED

Under the U.S. Export Administration Regulations (the "**EAR**"), a license, license exception or authorization from the U.S. Department of Commerce, Bureau of Industry and Security (the "**BIS**") is required for the export, re-export or in-country transfer of items subject to the EAR. The BIS maintains the Entity List, which is a list of non-U.S. individuals, companies, research institutions, government and private organizations that are subject to additional license requirements (and typically a licensing policy of denial) for the export, re-export, or in-country transfer of items subject to the EAR (the "**Entity List**").

During the Track Record Period, our Group had dealings with six customers and seven suppliers that have been placed on the Entity List. Our dealings with such customers were service in nature, being the provision of packaging and testing services in respect of their products, while our Group's dealings with such suppliers related to the procurement of production equipment. Revenue generated from such customers accounted for only approximately 0.212% of our Group's total revenue, and the payments made to such suppliers accounted for only approximately 7.39% of the amounts paid by our Group to its suppliers, during the Track Record Period. As advised by our International Sanctions and Export Control Legal Advisors, the risks of our Group violating U.S. export controls arising from such dealings were low, considering that, among others: (i) none of the technology or items sourced and used by us in our production or in servicing our customers' products was subject to U.S. export controls, and where production equipment procured by us was of U.S.-origin, as is entirely in line with market practice, we relied on our suppliers' confirmation that none of the relevant equipment was subject to any U.S. export controls (in any event, we were considered as end-users of the equipment for the purposes of servicing our customers' products, and did not engage in the resale, export or re-export of these inputs to any third parties outside the Group); (ii) approximately 92.4% (by number) and 94.6% (by revenue) of our customers were based in the PRC and, to our knowledge, at least 90% of the customers' products which we were instructed to service were made entirely domestically in the PRC; (iii) we were not aware of any indication that our customers' products which we were instructed to serviced incorporated any U.S.-origin items or technology or were otherwise subject to U.S. export controls, or that any of such products were exported, re-exported or transferred in violation of the EAR; and (iv) based on the party screening undertaken by the International Sanctions and Export Control Legal Advisors, none of our customers or suppliers has been designated as a sanctioned person under any sanctions laws. See "Business — U.S. Export Control Implications" and "Risk Factors — Risks Relating to Our Business and Industry — Our business, financial condition and results of operations may be materially and adversely affected by international trade policies, sanctions and export controls, all of which are fast evolving in the current geopolitical landscape." for details.

On October 28, 2024, the U.S. Department of the Treasury ("**Treasury**") issued the Provisions Pertaining to U.S. Investments in Certain National Security Technologies and Products in Countries of Concern ("**Outbound Investment Rule**"), which implements Executive Order 14105 of August 9, 2023. Effective on January 2, 2025, the Outbound Investment Rule prohibits certain U.S. investments in covered foreign persons located in countries of concern (including those in the PRC including Hong Kong and Macau) that are engaged in the packaging of any IC using advanced packaging techniques, defined to mean the packaging of ICs in a manner that supports the two-and-one-half-dimensional (2.5D) or three-dimensional (3D) assembly of ICs. For an overview of the Outbound Investment Rule, see "Regulatory Overview — U.S. Outbound Investment Rule".

As advised by our International Sanctions and Export Control Legal Advisors, since we are engaged in the aforementioned activity, unless any available exception applies, U.S. person investors would be prohibited from making certain investments in us, including in the form of acquisitions of our equity interests that are not yet publicly traded. See our analysis regarding the applicability of the publicly traded securities exception in "Business — U.S. Outbound Investment Rule Implications" and "Risk Factors — Risks Relating to Our Business and Industry — We are exposed to risks associated with the Outbound Investment Rule that prohibit and require notification by U.S. persons for certain investments".

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

Subsequent to April 30, 2026 and as of the Latest Practicable Date, our business operation remained relatively stable. While we maintained the momentum for our business growth with an expected increase in our revenue, we anticipate to record a loss for the year ending December 31, 2026. For the year ending December 31, 2026, our net loss is expected to narrow compared to the year ended December 31, 2025. Nevertheless, our net loss is expected to continue, primarily due to the commencement of operation of our Yangzhou production base in July 2025. As the facility only began operations in the second half of the year, depreciation and amortization and other fixed costs increased, while production capacity has not yet been fully utilized, thereby exerting downward pressure on profitability. Accordingly, the expected net loss for the year ending December 31, 2026 is mainly attributable to the ramp up of new production facilities and the associated fixed cost burden during the initial stage of operation.

As of the Latest Practicable Date, we were involved in one patent dispute involving seven IP cases ("**IP Cases**") involving six patents and one patent application ("**Disputed Patents**"). As advised by the PRC IP Legal Advisor, the risk of the Company losing the IP Cases is low, and in the event the IP Cases are not determined in our favor, the consequences would likely be the transfer of the relevant patent rights or patent application rights, reimbursement of approximately RMB700,000 and payment of litigation costs to the plaintiff. None of the Disputed Patents was used in the Group's products or production processes during the Track Record Period and up to the Latest Practicable Date, and accordingly no revenue of the Group was generated from the Disputed Patents. Our Directors, considering the above and based on the advice of the PRC IP Legal Advisor, are of the view that the IP Cases would not have a material adverse effect on our business, financial condition or results of operations.

Based on the due diligence performed by the Sole Sponsor and having taken into account the views of the PRC IP Legal Advisor, the Sole Sponsor is of the view that the IP Cases have not had and are not expected to have any material adverse impact on the Group's operations and financial position. For details, see "Business — Legal Proceedings and Compliance — Patent Disputes".

Our Directors confirm that save for the estimated non-recurring listing expenses as disclosed in the Financial Information section in this prospectus, since April 30, 2026 and up to the date of this prospectus: (i) there was no material adverse change in the market conditions and the industry and the regulatory environment in which our Group operates that affects our financial or operating position materially and adversely; (ii) there was no material adverse change in the business, revenue structure, profitability, cost structure, financial and trading position and prospects of our Group; and (iii) no event had occurred that would affect the information shown in the Accountants' Report in Appendix I to this prospectus materially and adversely.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We have applied to the Stock Exchange for the granting of the listing of, and permission to deal in, our H Shares to be issued pursuant to the Global Offering (including the H Shares which may be issued pursuant to the exercise of the options granted under the Pre-IPO Share Option Scheme) and the conversion of Unlisted Shares into H Shares, on the basis that, among other things, we satisfy the market capitalization/ revenue test under Rule 8.05(3) of the Listing Rules with reference to (i) our revenue in 2025, being RMB1,012.2 million (equivalent to approximately HK$1,182.2 million), which is over HK$500 million, and (ii) our expected market capitalization at the time of Listing, which, based on the low end of the indicative Offer Price range, exceeds HK$4 billion.

OFFERING STATISTICS

	Based on an Offer Price of HK$8.60 per H Share	Based on an Offer Price of HK$9.60 per H Share
Market capitalization of our Shares immediately after completion of the Global Offering[1]	HK$9,164.4 million	HK$10,230.0 million
Market capitalization of our H Shares immediately after completion of the Global Offering[2]	HK$6,884.1 million	HK$7,684.5 million
Unaudited pro forma adjusted net tangible assets per Share[3]	HK$2.12	HK$2.22

Notes:

1. The calculation of market capitalization of our Shares is based on 265,152,545 Unlisted Shares in issue, 693,909,187 H Shares converted from Unlisted Shares and 106,562,500 H Shares expected to be issued pursuant to the Global Offering (without taking into account any H Shares to be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme).

2. The calculation of market capitalization of our H Shares is based on the 693,909,187 H Shares converted from Unlisted Shares and 106,562,500 H Shares expected to be issued pursuant to the Global Offering (without taking into account any H Shares to be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme).

3. The unaudited pro forma adjusted net tangible assets attributable to owners of the Company per Share is arrived at after the adjustments referred to in "Appendix II — Unaudited Pro Forma Financial Information" to this prospectus and on the basis that 1,065,624,232 Shares are in issue immediately following the completion of the Global Offering. In addition, the number of shares used for the computation of unaudited proforma net tangible assets per share also takes no account of any Shares to be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme.

4. No other adjustments have been made to the unaudited pro forma adjusted net tangible assets of the Group to reflect any trading results or other transactions of the Group entered into subsequent to April 30, 2026.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK$904.3 million, after deducting underwriting fees and commissions and other estimated expenses paid and payable by us in relation to the Global Offering, assuming an Offer Price of HK$9.10 per H Share, being the mid-point of the Offer Price range from HK$8.60 to HK$9.60 per H Share. We intend to use these net proceeds for the purposes and in the amounts set forth below: (a) approximately 69.5%, or HK$628.5 million, will be used for the construction of production base and new production lines and procurement of production-related equipment to enhance our manufacturing capacity and meet the growing market demand in global and PRC semiconductor packaging & testing markets; (b) approximately 17.6%, or HK$159.2 million, will be used for enhancing our research and development capabilities in advanced packaging technologies and improve our technological competitiveness in the semiconductor packaging and testing industry, with a particular focus on the advancement of packaging and testing technologies for our CAPiC platform; (c) approximately 2.9%, or HK$26.2 million, will be used for enhancing our commercialization capabilities and expanding our customer collaboration ecosystem and (d) approximately 10%, or HK$90.4 million, is expected to be used for our working capital and other general corporate purposes.

LISTING EXPENSES

Listing expenses represent professional fees, underwriting commission and other fees incurred in connection with the Global Offering. We estimate that our listing expenses will be approximately HK$65.4 million (based on the Offer Price of HK$9.10), which accounts for approximately 6.7% of the gross proceeds from the Global Offering. We estimate the listing expenses to consist of approximately HK$29.2 million in underwriting-related fees and HK$36.2 million in non-underwriting fees (which consist of fees and expenses of legal advisors and our Reporting Accountants of approximately HK$19.3 million and other fees and expenses of approximately HK$16.9 million). During the Track Record Period, we had incurred listing expenses of approximately HK$17.8 million, of which approximately HK$5.0 million was directly attributable to the issue of our Shares and capitalised, and approximately HK$12.8 million was expensed in our consolidated statements of comprehensive loss. We expect to incur listing expenses of approximately HK$47.6 million, of which approximately HK$32.9 million is expected to be directly attributable to the issue of our Shares and will be deducted from equity upon the completion of the Global Offering, and the remaining approximately HK$14.7 million is expected to be expensed in our consolidated statements of comprehensive loss.

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

"Accountants' Report"	the accountants' report on the historical information of the Company and its subsidiaries included in the Accountants' Report in Appendix I to this prospectus
"affiliate(s)"	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 conditionally adopted on October 13, 2025 to take effect on the Listing Date, as amended or supplemented or otherwise modified from time to time
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Audit Committee"	the audit committee of our Board
"Board" or "Board of Directors"	the board of directors of our Company
"business day" or "Business Day"	a day on which banks in Hong Kong are generally open for normal banking business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong
"Capital Market Intermediaries" or "capital market intermediary(ies)" or "CMI(s)"	the capital market intermediaries participating in the Global Offering and has the meaning ascribed thereto under the Listing Rules
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"China", "Chinese Mainland" or "PRC"	People's Republic of China, but for the purpose of this prospectus and for geographical reference only and except where the context requires otherwise, shall exclude Hong Kong, Macau Special Administrative Region and Taiwan
"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"	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," "the Company" "we" or "us"	Jiangsu Xinde Semiconductor Technology Co., Ltd. (江蘇芯德半導體科技股份有限公司) was established in the PRC on September 11, 2020 as a limited liability company under the English name Jiangsu Silicon Integrity Semiconductor Technology Co., Ltd., was converted into a joint stock company with limited liability on June 27, 2024, and completed the change of its English name to Jiangsu Xinde Semiconductor Technology Co., Ltd. with the Registrar of Companies in Hong Kong on October 15, 2026
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"connected transactions(s)"	has the meaning ascribed to it under the Listing Rules
"core connected person(s)"	has the meaning ascribed to it under the Listing Rules
"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會)
"Director(s)" or "our Directors"	the director(s) of our Company or any one of them
"EBITDA"	earnings before interest, taxes, depreciation and amortization
"EIT"	enterprise income tax
"EIT Law"	the PRC Enterprise Income Tax Law (《中華人民共和國企業所得税法》), as enacted by the NPC on March 16, 2007 and effective on January 1, 2008, as amended, supplemented or otherwise modified from time to time
"Exchange Participant(s)"	a person (a) who, in accordance with the Rules of the Stock Exchange, may trade on or through the Stock Exchange; and (b) whose name is entered in a list, register or roll kept by the Stock Exchange as a person who may trade on or through the Stock Exchange
"Extreme Conditions"	the occurrence of extreme conditions as announced by any government authority in Hong Kong due to a super typhoon or other natural disaster of a substantial scale seriously affecting the working public's ability to resume work or brings safety concern for a prolonged period

"FINI"	Fast Interface for New Issuance, an online platform operated by HKSCC that is mandatory for admission to trading and, where applicable, the collection and processing of specified information on subscription in and settlement for all new listings on the Stock Exchange
"Frost & Sullivan"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., an independent industry consultant commissioned by us to prepare the Frost & Sullivan Report
"Frost & Sullivan Report"	an independent market research report prepared by Frost & Sullivan, which was commissioned by our Company for the purpose of this prospectus
"General Rules of HKSCC"	the General Rules of HKSCC as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
"Global Offering"	the Hong Kong Public Offering and the International Offering
"Group", "our Group" or "the Group"	our Company and its subsidiary
"Guide" or "Guide for New Listing Applicants"	the Guide for New Listing Applicants issued by the Hong Kong Stock Exchange effective from January 1, 2024 (as amended, supplemented or otherwise modified from time to time)
"H Share(s)"	overseas listed foreign ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which is/are to be subscribed for and traded in Hong Kong dollars and to be listed on the Hong Kong Stock Exchange
"H Share Registrar"	Computershare Hong Kong Investor Services Limited
"HKSCC"	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"HKSCC EIPO"	the application for the Hong Kong Offer Shares to be issued in the name of HKSCC Nominees and deposited directly into CCASS to be credited to your or a 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 submit **electronic application instructions** via FINI to apply for the Hong Kong Offer Shares on your behalf
"HKSCC Nominees"	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC

"HKSCC Operational Procedures"	the operational procedures of HKSCC, containing the practices, procedures and administrative or other requirements relating to HKSCC's services and the operations and functions of CCASS, FINI or any other platform, facility or system established, operated and/or otherwise provided by or through HKSCC, as from time to time in force
"HKSCC Participant"	a participant admitted to participate in CCASS as a direct clearing participant, a general clearing participant or a custodian participant
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars", "HK dollars", "HKD" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong Offer Shares"	the 10,656,500 H Shares being initially offered by our Company for subscription at the Offer Price pursuant to the Hong Kong Public Offering (subject to reallocation as described in the section headed "Structure of the Global Offering" in this prospectus)
"Hong Kong Public Offering"	the offer of the Hong Kong Offer Shares to the public in Hong Kong for subscription at the Offer Price (plus brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%), on and subject to the terms and conditions set out in this prospectus. See "Structure of the Global Offering" in this prospectus
"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"Hong Kong Underwriters"	the underwriters of the Hong Kong Public Offering as set out in the section headed "Underwriting" in this prospectus
"Hong Kong Underwriting Agreement"	the underwriting agreement dated October 29, 2026 relating to the Hong Kong Public Offering entered into by, among others, our Company, the Sole Sponsor, the Sole Sponsor-Overall Coordinator and the Hong Kong Underwriters, as further described in the section headed "Underwriting" in this prospectus
"Independent Third Party(ies)"	individual(s) or company(ies) who or which, to the best of our Directors' knowledge having made all due and careful inquiries, is/are independent from and not connected with (within the meaning of the Listing Rules) any Director, chief executive or substantial shareholder (within the meaning of the Listing Rules) of our Company, its subsidiaries or any of their respective associates

"International Offer Shares"	the 95,906,000 H Shares being initially offered for subscription at the Offer Price under the International Offering, subject to reallocation as described in the section headed "Structure of the Global Offering" in this prospectus
"International Offering"	the offering of the International Offer Shares at the Offer Price outside the United States in accordance with Regulation S, as further described in the section headed "Structure of the Global Offering" in this prospectus
"International Sanctions and Export Control Legal Advisors"	Eversheds Sutherland, legal advisors to our Company as to International Sanctions and Export Control laws
"International Underwriters"	the underwriters of the International Offering as set out in the section headed "Underwriting" in this prospectus
"International Underwriting Agreement"	the international underwriting agreement relating to the International Offering expected to be entered into by, among others, our Company, the Sole Sponsor, the Sole Sponsor-Overall Coordinator and the International Underwriters, on or about the Price Determination Date, as further described in the section headed "Underwriting" in this prospectus
"Joint Global Coordinators", Joint Bookrunners" and "Joint Lead Managers"	the joint global coordinators, the joint bookrunners and the joint lead managers as named in "Directors, Supervisor and Parties involved in the Global Offering" in this prospectus
"Latest Practicable Date"	October 21, 2026, being the latest practicable date for the purpose of ascertaining certain information in this prospectus prior to its publication
"Listing"	listing of our Shares on the Main Board of the Stock Exchange
"Listing Committee"	the Listing Committee of the Stock Exchange
"Listing Date"	the date, expected to be on or about November 10, 2026, on which the H Shares are first listed and from which dealings in the H Shares are permitted to take place on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange

"Ningpuxin"	Ningbo Meishan Bonded Port Area Ningpuxin Enterprise Management Partnership Enterprise (Limited Partnership)* (寧波梅山保稅港區寧浦芯企業管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on October 8, 2022 and a member of our Single Largest Group of Shareholders
"Ningtaixin"	Nanjing Ningtaixin Enterprise Consulting Management Partnership Enterprise (Limited Partnership)* (南京寧泰芯企業諮詢管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on September 9, 2020 and a member of our Single Largest Group of Shareholders
"Nomination Committee"	the nomination committee of our Board
"Offer Price"	the final offer price per Offer Share of not more than HK$9.60 and expected to be not less than HK$8.60 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and the Stock Exchange trading fee of 0.00565%), to be determined by agreement between us and the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Underwriters) on or around the Price Determination Date as described in the section headed "Structure of the Global Offering" in this prospectus
"Offer Share(s)"	the Hong Kong Offer Shares and the International Offer Shares
"PBOC"	the People's Bank of China (中國人民銀行), the central bank of the PRC
"PRC Company Law"	the Company Law of the People's Republic of China (《中華人民共和國公司法》)
"PRC Government"	the central government of the PRC, including all government subdivisions (including provincial, municipal and other regional or local government entities) and its organs or, as the content requires, any of them
"PRC Legal Advisor"	Jiangsu C&T Partners Law Firm, our legal advisors as to PRC laws in connection with the Global Offering
"Pre-IPO Investments"	the investment(s) in our Company undertaken by the Pre-IPO Investors prior to our Listing, the details of which are set out in the section headed "History, Development and Corporate Structure — Pre-IPO Investments"
"Pre-IPO Investors"	the investors in our Company prior to our Listing, as set out in the section headed "History, Development and Corporate Structure — Pre-IPO Investments — Information about our Pre-IPO Investors"

"Pre-IPO Share Option Scheme"	our Company's pre-IPO employee share option scheme adopted pursuant to a resolution passed by our Shareholders on October 13, 2025
"Price Determination Date"	the date, expected to be on or before November 6, 2026, on which the Offer Price will be determined
"Regulation S"	Regulation S under the U.S. Securities Act
"Remuneration and Evaluation Committee"	the remuneration and evaluation committee of our Board
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Shareholder(s)"	holder(s) of the Share(s)
"Shares"	ordinary share(s) in the capital of our Company with a nominal value of RMB1.00 each, including both Unlisted Domestic Shares and H Shares
"Single Largest Group of Shareholders"	the single largest group of Shareholders of our Company, comprising (i) Mr. Zhang Guodong (張國棟), (ii) Mr. Pan Mingdong (潘明東), (iii) Mr. Liu Yi (劉怡), (iv) Ningtaixin, and (v) Ningpuxin
"Sole Sponsor" or "Sole Sponsor-Overall Coordinator"	Huatai Financial Holdings (Hong Kong) Limited, a corporate licensed under the SFO to carry on type 1 (dealing in securities), type 2 (dealing in futures contracts), type 3 (leveraged foreign exchange trading), type 4 (advising on securities), type 6 (advising on corporate finance), type 7 (providing automated trading services), and type 9 (asset management) regulated activities as defined in the SFO
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"substantial shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Track Record Period"	the period comprising the financial years ended December 31, 2023, 2024 and 2025, and the four months ended April 30, 2026
"Underwriters"	the Hong Kong Underwriters and the International Underwriters

"Underwriting Agreements"	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
"United States", "U.S." or "US"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"Unlisted Share(s)" or "Unlisted Domestic Share(s)"	ordinary share(s) in the share capital of our Company, with a nominal value of RMB1.00 each, which are not listed or quoted for trading on any stock exchange
"US$", "USD" or "U.S. dollars"	United States dollars, the lawful currency of the United States
"U.S. Securities Act"	the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder
"**White Form eIPO**"	the application for Hong Kong Offer Shares to be issued in the applicant's own name by submitting applications online through the designated website of the **White Form eIPO** Service Provider at **www.eipo.com.hk**
"**White Form eIPO** Service Provider"	Computershare Hong Kong Investor Services Limited
"Yangzhou Chiplet"	Yangzhou Chiplet Semiconductor Integration Co., Ltd.* (揚州芯粒集成電路有限公司), a limited liability company established in the PRC on February 6, 2023, being a subsidiary of our Company
"Yangzhou Longtou"	Yangzhou Longtou Semiconductor Industry Investment Fund Partnership (Limited Partnership)* (揚州龍投芯粒半導體產業投資基金合夥企業(有限合夥)), a limited partnership established in the PRC on February 1, 2023, being a shareholder of Yangzhou Chiplet
"%"	per cent.

All dates and times refer to Hong Kong dates and time.

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

If there is any inconsistency between the Chinese names of entities or enterprises established in China and their English translations, the Chinese shall prevail.

This glossary contains explanations of certain technical terms used in this prospectus. As such, these terms and their meanings may not correspond to standard industry meanings or usage of these terms.

"±"	symbol for "plus or minus"
"mΩ"	milliohm, a unit of electrical resistance
"μm"	micrometer
"1P1M" or "2P2M" or "3P3M"	"P" represents number of polyimide layers, "M" represents number of metal layers
"2.5D/3D"	packaging methods that connect multiple chips electrically through interposer (2.5D) or vertical stacking (3D)
"3D NAND"	three-dimensional NAND flash memory, a type of non-volatile storage technology where memory cells are stacked vertically in multiple layer
"3rd generation"	Stage 3 packaging and testing technologies covering QFN, BGA and WLP according to Frost & Sullivan
"4th generation"	Stage 4 packaging and testing technologies covering SiP and Bumping according to Frost & Sullivan
"5th generation"	Stage 5 packaging and testing technologies covering 2.5D/3D, TSV, Fan-Out among others, according to Frost & Sullivan process/packaging
"5G"	fifth generation of mobile network technology
"ANSI/ESD S20.20"	a standard developed by the American National Standards Institute and the Electrostatic Discharge Association for managing and mitigating the effects of electrostatic discharge on electronic devices
"ABF"	Ajinomoto Build-up Film, a high-performance insulating material used in semiconductor packaging
"AI"	artificial intelligence
"BGA"	Ball Grid Array
"Bins"	categories used to sort individual chip based on its performance and test results
"Bluetooth"	short-range wireless communication technology that allows devices to exchange data over radio waves

"Bumping"	the process of creating solder balls or metal bumps on a chip's surface to enable electrical and mechanical connection to another substrate
"CAGR"	compound annual growth rate
"CAPiC"	Chiplet and Advanced Package integration Center
"chip"	a piece of silicon that contains integrated circuits used to perform electronic functions in devices
"chiplet"	a modular integrated circuit designed to be combined with other chiplets in a single package
"CMP"	a wafer surface planarization process that combines chemical action with mechanical abrasion, using a chemically reactive slurry together with a polishing pad to remove excess material and achieve a highly flat and uniform surface, which is essential for multi-layer interconnection in advanced packaging
"COWOS-S/L"	Chip-on-Wafer-on-Substrate (Silicon/Local Silicon Interconnect), a method that stacks chips on an interposer and substrate for high-performance packaging
"Cu"	a symbol for copper
"CPU"	central processing unit
"CPO"	Co-Packaged Optics, a packaging technology that integrates optical and electronic components within the same package
"DC"	direct current
"die"	one single chip cut from a wafer before being packaged
"DSmSiP"	Double Side Molded System-in-Package
"DS Partial Mold"	Double Side Partial Mold, which protects specific areas using selective molding technology
"edge AI"	use of artificial intelligence directly on local devices without utilizing cloud
"EMI"	electromagnetic interference
"eWLB"	embedded wafer level Ball Grid Array
"fabless"	a semiconductor design company that does not own a wafer manufacturing plant and only focuses on design

"Fan-In"	packaging method where all electrical connections are confined within the footprint of the chip
"Fan-Out"	packaging method with connections fanned-out of the chip surface to enable more external electrical connections
"FC"	packaging method where the chip is mounted face-down onto the substrate
"FOCT-S"	Fan-Out Connected Tech-Silicon
"FOCT-L"	Fan-Out Connected Tech-Local Silicon Interconnect
"frequency"	the rate at which a power electronic device operates
"foundry"	a manufacturer specializing in the production and manufacture of chips in the field of integrated circuits
"GaN"	gallium nitride
"GPU"	graphic processing unit
"HBM"	high bandwidth memory
"HPC"	high-performance computing
"I/O"	input to receive data and output to send data
"IATF16949"	international technical specification of automotive industry quality management system, which prepared by International Automotive Task Force and ISO
"IDM"	integrated device manufacturer, a company that takes charge of semiconductor design, manufacturing, packaging and testing
"integrated circuit" or "IC"	a structure with specific circuit functions, formed by integrating numerous transistors, resistors, capacitors, and their interconnecting wiring onto a semiconductor chip through a series of semiconductor manufacturing processes
"interposer"	a special carrier used to connect multiple chips and other components, which is placed between the bare die and the traditional packaging substrate, achieving precise chip-to-chip connections through redistributed layers
"IPD"	Integrated Passive Device, being miniaturized resistors, capacitors, and inductors embedded into a single substrate
"ISO"	International Organization for Standard

"ISO 14001"	the Environmental Management System published by the ISO
"ISO 45001"	the Occupational Health and Safety Management System published by the ISO
"ISO 50001"	the Energy Management System published by the ISO
"ISO 9001"	the International Quality Management System published by the ISO
"IoT"	the Internet of things
"LDFO"	Low-Density Fan-Out
"LGA"	Land grid array
"LPDDR"	Low-Power Double Data Rate, a type of volatile memory optimized for mobile and embedded devices
"LVM"	Low-Volume Manufacturing, a production process designed for small batch sizes rather than mass production
"modules"	packaged components that include integrated circuits or other electronic components to build larger systems or devices
"Moore era"	the period when semiconductor progress under the Moore's Law that transistor density doubles approximately every two years
"OLGA"	Optical Land Grid Array
"OSAT"	outsourced semiconductor assembly and test
"packaging"	the process of transforming bare semiconductor die (integrated circuit) into a final packaged chip product through a series of technological procedures, while providing physical protection, electrical connection and thermal management
"PCB"	printed circuit board
"PCT"	Patent Cooperation Treaty
"PECVD"	a thin-film deposition process that uses plasma to enable chemical vapor deposition at relatively low temperatures, forming dielectric or insulating thin-film layers on the wafer surface, thereby reducing thermal impact on temperature-sensitive materials and devices

"PI"	polyimide
"PVD"	physical vapor deposition
"QFN"	Quad Flat No-Lead
"R&D"	research and development
"RDL"	redistribution layers
"RF"	radio frequency
"RIE"	a dry etching process that uses a chemically reactive plasma under an electric field to remove material from the wafer surface in a directional (anisotropic) manner, enabling the formation of fine and precisely controlled patterns and structures
"SiP"	System-in-Package
"SoC"	System on chip
"SOT"	small outline transistor, a compact, surface-mount package used for transistors and other small semiconductors
"sq.m."	square meter(s)
"substrate"	the base material that provides mechanical support and electrical connections between the chip and the printed circuit board
"testing"	the process of detecting the electrical performance, functional integrity, reliability, and environmental adaptability of semiconductors using professional testing equipment, so as to screen out qualified products and eliminate defective ones
"TGV"	Through-Glass Via, a vertical electrical interconnect formed through a glass substrate
"TMV"	Through-Mold Via, a vertical interconnect structure formed through the mold compound of a semiconductor package
"TSV"	Through-Silicon Via, a vertical electrical connection that passes through a silicon wafer or die
"TXV"	Through-X-Interposer Via, a vertical interconnect technology that enables high-density electrical connections through interposer materials like glass or silicon
"UBM"	Under Bump Metallization

"ultra-high-end packaging and testing"	packaging and testing technologies beyond conventional wire-bond and flip-chip methods, enabling higher input/output density, improved signal integrity and enhanced thermal performance for next-generation applications, including FOCT-R, FOCT-S, FOCT-L, CPO, TMV, and TGV
"wafer"	a thin slice of semiconductor material, used in the manufacture of integrated circuits and other microelectronic devices
"WB"	wire bonding
"Wettable Flank"	a treated terminal edge on surface-mount components that allows visible solder wetting
"WLP"	Wafer-Level Packaging
"X-Sip"	Extended System-in-Package

This prospectus contains certain forward-looking statements and information relating to our Company 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", "consider", "could", "estimate", "expect", "going forward", "intend", "may,", "might", "ought to", "plan", "potential", "predict", "project", "seek", "should", "will", "would" and the negative of these words and other similar expressions, as they relate to us or our management, are intended to identify forward-looking statements.

These forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future.

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. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks and uncertainties facing us which could affect the accuracy of forward-looking statements include, but are not limited to, the following:

- our operation and business prospects;
- our capital expenditure plans;
- our business strategies and plans to achieve these strategies;
- our ability to control or reduce costs;
- our dividend policy;
- the actions of and developments affecting our customers and suppliers;
- the industries trend of our downstream customers;
- the amount and nature of, and potential for, future development of our business;
- future developments, trends, conditions, standards, requirements and competitive landscape in the industry and markets in which we operate;
- changes to the regulatory environment, policies, business conditions and general outlook in the industries and markets in which we operate;
- our financial condition and performance;
- general economic, political and business conditions; and
- certain statements included in the sections headed "Risk Factors", "Industry Overview", "Regulatory Overview", "Business", "Financial Information" and "Future Plans and Use of Proceeds" in this prospectus with respect to operations, margins, overall market trends, risk management and exchange rates.

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. Moreover, the inclusion of forward-looking statements should not be regarded as representations by us that our plans and objectives will be achieved or realized.

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

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

You should carefully consider all of the information in this prospectus including the risks and uncertainties described below before making an investment in the Hong Kong Offer Shares. Our operations involve certain risks, many of which are beyond our control. You should pay particular attention to the fact that our business is located in the PRC and we are governed by a legal and regulatory environment which in some respects may differ from that which prevails in other countries. Our business, financial condition and operating results could be materially and adversely affected by any of these risks. The trading price of our Shares could decline due to any of these risks, and you may lose all or part of your investment. Additional risks and uncertainties that are not presently known to us, or not expressed or implied below, or that we deem to be immaterial, could also have a material adverse effect on our business, financial condition and operating results.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

Our revenue is concentrated in the consumer electronics and communication sectors, and any deterioration in downstream demand, particularly in the highly competitive and cyclical consumer electronics market, may adversely affect our order volume, pricing, capacity utilisation and financial performance.

During the Track Record Period, a substantial portion of our revenue from the provision of packaging products and testing service was derived from products ultimately applied in the consumer electronics and communication sectors. Revenue from products applied in the consumer electronics sector accounted for approximately 65.0%, 67.8%, 54.3%, 62.0% and 57.2% of such revenue in 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, respectively, while revenue from products applied in the communication sector accounted for approximately 23.6%, 27.5%, 40.2%, 34.4% and 38.4%, respectively. Accordingly, these two sectors together accounted for approximately 88.6%, 95.3%, 94.5%, 96.4% and 95.6% of our revenue from the provision of packaging products and testing service in 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026. As a result, our business and financial performance are particularly exposed to changes in demand in these downstream markets.

According to Frost and Sullivan, the consumer electronics market is highly competitive and susceptible to cyclical fluctuations in market demand. The consumer electronics market experienced a recovery in 2024, which contributed to increased demand for our products. However, there can be no assurance that such market conditions will continue. Demand in our major downstream industries may be affected by factors beyond our control, including general economic conditions, consumer spending, product replacement and technology upgrade cycles, inventory adjustments by our customers and their downstream customers, changes in end-user preferences, market competition, geopolitical developments and international trade restrictions. If market demand weakens or deteriorates further, our customers may reduce, defer or cancel their orders, which may result in lower order and sales volumes. We may also face increased pricing pressure or be required to offer more competitive prices to retain or secure customer orders. Lower order and production volumes could reduce the utilisation rates of our production facilities and result in fixed production costs being allocated over a lower production volume, thereby adversely affecting our gross margin. A material decline in downstream demand may also adversely affect our production and capacity planning and the ramp-up of our production facilities. Any of the foregoing could adversely affect our revenue, profitability, cash flows, business operations and financial condition.

We have been and intend to continue investing significantly in R&D, and to the extent our R&D efforts are unsuccessful, our competitive position would be negatively impacted and our business, results of operations and financial condition would be adversely affected.

We have been investing heavily in our R&D efforts. Our R&D expenses were RMB76.6 million, RMB93.8 million, RMB86.2 million, RMB32.9 million and RMB29.8 million in 2023, 2024 and 2025 and for the four months ended April 30, 2025 and 2026. The industries in which we operate are subject to rapid technological changes and are evolving quickly in terms of technological innovation. We need to invest significant resources in R&D to make technological advances in order to expand our offerings and make our products innovative and competitive in the market. However, we cannot guarantee that all of our efforts on R&D can deliver benefits that we anticipate. R&D activities are inherently uncertain, and we may not be able to obtain and retain sufficient resources including qualified R&D personnel. It is possible that our R&D efforts on semiconductor packaging products may not work. Despite our R&D expenditures, new technologies in the semiconductor packaging and testing market could render our products that we develop or expect to develop in the future obsolete or commercially nonviable, thereby limiting our ability to recover related product development costs, which could result in a decline in our revenues, profitability and market share. In addition, our customers generally impose very high quality and reliability standards on products we provide, and may thus be difficult or costly to satisfy. Any inability to satisfy the quality and reliability standards of our customers or comply with industry standards and technical requirements may adversely affect demand for our products, services and our results of operations.

Our historical performance may not be indicative of our future growth, and we may not be successful in expanding our operations or managing our growth.

The cyclical nature of the semiconductor industry has resulted in periods when demand for our products and services has increased or decreased rapidly. The demand for our products and services is subject to the strength of the major industries in which our downstream customers operate. Demand from our downstream industries may be affected by factors beyond our control, including general economic conditions, consumer spending, product replacement and technology upgrade cycles, inventory adjustments by our customers and their downstream customers, changes in end-user preferences, market competition, geopolitical developments and international trade restrictions. Our customers may reduce, defer or cancel their orders if downstream demand weakens or if they seek to reduce their inventory levels. We experienced an increase in our revenue during the Track Record Period. Such increase was partly attributable to changes in demand in the semiconductor industry and the downstream industries served by our customers. However, we cannot assure you that we will be able to further improve or sustain our historical growth rate. Any decline in, or slower-than-expected growth of, demand from our principal downstream industries may result in lower order and production volume, changes in product mix, increased pricing pressure and reduced capacity utilisation.

In addition, we plan to invest substantial financial, management and operational resources to sustain our growth. However, we cannot assure you that we will be able to continually obtain or effectively deploy these resources in the future. If we expand our business operations too rapidly and demand does not materialize at the pace at which we expect, or declines, our operating results may be adversely affected as a result of increased operating expenses, increased depreciation and amortisation expenses, reduced margins or underutilization of capacity. We may not be able to expand our workforce and operations in a sufficiently timely manner, procure adequate resources and raw materials, locate suitable third party suppliers, or respond effectively to changes in demand for our new products and services requested by our downstream customers, and our current or future business could be materially and adversely affected. Our revenue, expenses and operating results may vary from period to period due to various factors beyond our control. Any unfavorable change in the factors above may prevent us from maintaining our historical growth rate.

We face substantial competition that requires us to respond rapidly to products and services development and pricing pressures, and our products and services may fail to meet new industry standards or requirements that may arise from time to time and the efforts to meet such industry standards or requirements could be costly.

We face intense technological and pricing competition in the markets in which we operate. According to Frost & Sullivan, there are a large number of participants in PRC's semiconductor packaging and testing market, with approximately 150 to 200 OSATs, reflecting the substantial technological and pricing competition in the markets in which we operate. We expect this competition will continue to increase from large competitors and from small competitors serving niche markets, and also from emerging companies that providing products and services into the same markets in which we operate. Certain competitors possess sufficient financial, technical and management resources to develop and market products and services that may compete favorably against our products and services, and business integration among our competitors may allow them to compete more effectively. Certain competitors may also have larger production scale and lower unit production costs, which may enable them to offer more competitive prices. If we reduce our selling prices in response, our gross margin may deteriorate; if we do not, we may lose orders or customers, resulting in lower production volume and capacity utilisation. The price and technology development pressures that result from competition may lead to reduced profit margins and lost business opportunities. Moreover, our products and services are based on industry standards that are continually evolving. The emergence of new industry standards could render our products and services incompatible with products and services designed and developed by other competitors. If our products and services are not in compliance with prevailing industry standards or requirements, we could miss opportunities to achieve crucial design wins which in turn could have a material adverse effect on our business, operations and financial results.

Our business depends on our ability to protect our intellectual property rights, and we may be subject to intellectual property infringement and other claims by third parties in the PRC or other jurisdictions, which, if successful, could cause us to pay significant damages and incur other costs.

We rely primarily on a combination of our patents, trade secrets, trademarks, the confidentiality agreements signed by the employees, and confidentiality agreements signed with third parties to protect our intellectual property rights. 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. Despite our efforts to protect our proprietary rights, unauthorized parties may be able to obtain and use information that we regard as proprietary. We may initiate legal proceedings against parties who we believe are infringing our intellectual property rights. Legal proceedings are often costly and may divert management attention and resources away from our business. Our success is also subject to our ability to use, develop and protect our technology and trade secrets without infringing the intellectual property rights of third parties. Others may hold or obtain patents, copyrights, trademarks, or other proprietary rights used in our products and service. This might prevent, limit, or interfere with our production, use, development, sales, or marketing, and could therefore disturb our daily operations and distract our management. From time to time, we may receive communications from intellectual property rights holders regarding their proprietary rights. Companies holding patents or other intellectual property rights may, in the PRC or other jurisdictions, bring suits alleging infringement of such rights or otherwise assert their rights and urge us to obtain licenses. We may also be subject to liability due to the misconduct of our employees in relation to third party IP rights. Our use of trademarks relating to our technology could be found to infringe upon existing intellectual property rights owned by others. In addition, if we are found to have infringed upon a third party's intellectual property rights, we may be required to do one or more of the following: (a) cease to sell products that are involved in the challenged intellectual property rights owned by others; (b) pay damages to the rights holders or the customers who purchased our products; (c) redesign our products; or (d) establish and maintain alternative branding for our products.

We are involved in seven patent ownership proceedings brought by a former employer of certain of our key personnel and have been subject to allegations concerning trade secrets, which may expose us to further legal proceedings and substantial financial liabilities adversely affect our business, financial performance and reputation.

We are currently involved in seven patent ownership proceedings brought by a third party against us concerning the ownership of six patents and one patent application, which remain pending. If the IP Cases are determined against us, we may be required to transfer the relevant patent rights or patent application right, reimburse approximately RMB700,000 and bear the relevant litigation costs. However, such amount does not represent the extent of our potential financial exposure arising from further claims or legal proceedings. Given the nature of these disputes and the prior employment relationships involved, we may continue to face further intellectual property claims or legal proceedings, including separate patent infringement claims, brought by such former employer or its affiliates, regardless of the outcome of the pending IP Cases. Such claims or proceedings may involve substantial monetary compensation, injunctive relief, restrictions on our use of relevant technologies or disruptions to our research and development activities and business operations. An adverse outcome in these proceedings may also expose us to further intellectual property claims or legal proceedings, potentially resulting in additional damages, restrictions on our use of relevant technologies or disruptions to our research and development activities and business operations. We have also been subject to allegations that we and certain of our personnel infringed a third party's trade secrets. Such allegations may give rise to further investigations or legal proceedings, which could result in legal liabilities, disruption to our operations and reputational damage. Any additional claims or proceedings arising from the above disputes and allegations may expose us to significant financial liabilities, potentially exceeding the amounts involved in the existing patent ownership proceedings. If any such claims are successful, we may be required to pay damages or compensation, which, together with the associated legal expenses, could place additional pressure on our liquidity and cash flows and adversely affect our financial condition and results of operations. There can be no assurance that the above disputes and allegations will be resolved in our favour. Even if such disputes and allegations are ultimately resolved in our favour, we may still incur significant legal costs, devote substantial management time and resources to addressing such matters and suffer reputational harm. Any adverse outcome or further proceedings may result in additional legal costs, diversion of management attention and reputational harm, and could adversely affect our business, financial condition and results of operations.

We have incurred gross loss and had net current liabilities and total deficit during the Track Record Period

Our results of operations have been, and may continue to be, influenced by the expansion of our product and service offerings. We incurred substantial expenses, such as raw material costs, labor expenses and power expenses. In 2023, 2024 and 2025 and for the four months ended April 30, 2025 and 2026, we recorded gross losses of RMB195.6 million, RMB166.6 million, RMB182.5 million, RMB62.7 million and RMB64.3 million, respectively, primarily because we were at the early stage of overall business development. See "Financial Information — Period-to-Period Comparisons of Results of Operations". As of December 31, 2023, 2024 and 2025 and April 30, 2026, we recorded net current liabilities of RMB309.8 million, RMB601.0 million, RMB871.0 million and RMB879.7 million, respectively. In addition, we had total deficit of RMB750.6 million, RMB915.7 million, RMB1,232.1 million and RMB1,298.3 million as of December 31, 2023, 2024 and 2025 and April 30, 2026, respectively. Our deficit may limit our ability to obtain additional financing on favorable terms, expand our operations or respond to competitive pressures. The deficit may also restrict our ability to allocate funds towards essential operational activities, such as research and development, marketing, and talent acquisition. We remain committed to actively expanding our product offerings. Such expansion may not be consistently successful and may incur losses if the revenue from the provision of our packaging products and testing service fails to offset our costs, which may materially and adversely affect our financial condition, results of operations and prospects.

We have incurred net losses during the Track Record Period and net operating cash outflows in 2023, and we may incur net losses and net operating cash outflows in the future.

In 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, we recorded net losses of RMB358.9 million, RMB376.6 million, RMB483.1 million, RMB163.6 million and RMB161.9 million, respectively, Additionally, in 2023 and the four months ended April 30, 2026, we recorded net operating cash outflows of RMB70.7 million and RMB108.2 million, respectively. Those net losses were primarily attributable to (i) the gross losses recorded by the Group; (ii) the

significant amount of R&D expenses and administrative expenses incurred during the Track Record Period; and (iii) the significant finance costs incurred during the Track Record Period, while the net operating cash outflows recorded in certain periods were primarily attributable to the Group's loss-making operations and working capital outflows. Meanwhile, while we recorded net operating cash inflow in 2024 and 2025 and the four months ended April 30, 2025, there is no assurance that we will not experience periods of net operating cash outflow in the future. If we continue to record net operating cash outflow in the future, our working capital may be constrained which may adversely affect our business and financial condition. We plan to improve our profitability through various ways. See "Business — Path to Profitability". However, our future profitability will depend on a variety of factors, including the expansion and performances of our existing business, competitive landscape, customer preference and macroeconomic and regulatory environment. Our revenues may not grow at the rate we expect and it may not increase sufficiently to offset the increase in our costs and expenses. We may continue to incur net losses in the future and we cannot assure you that we will eventually achieve our intended profitability. In addition, we may still record negative cash flow in the future and need to seek external financing to support our operations, such as available equity financing or bank facilities.

We may increasingly rely on bank borrowings to fund our operations and business expansion, which could increase our indebtedness and adversely affect our financial condition and profitability.

Our business operations and expansion plans require substantial funding, including the construction and expansion of our production facilities and procurement of production equipment. As we continue to expand our production capacity and scale up our operations, we may rely to a greater extent on bank borrowings to finance our planned capital expenditures and working capital requirements. As of August 31, 2026, our total interest-bearing bank and other borrowings amounted to RMB1,578.2 million, compared with RMB1,184.3 million as of April 30, 2026. If we further draw down our existing banking facilities or incur additional borrowings, our indebtedness may increase, resulting in higher interest expenses and debt repayment obligations. Increased reliance on bank borrowings may place additional pressure on our liquidity and cash flows and limit our financial flexibility. If our revenue growth, operating cash flows or profitability do not improve as anticipated, the increased debt servicing burden may constrain our ability to fund our operations and expansion plans, adversely affect our results of operations and delay our path to profitability.

Our future business expansion depends on the commercialization of our pipeline packaging products, most of which have not yet completed customer product validation or achieved mass production, and any delay in or failure of commercialization could materially and adversely affect our business, financial condition, results of operations and prospects.

Our pipeline packaging products and technologies serve as the core driver of our future business expansion. We target to initiate the commercialization of our pipeline packaging products and technologies in the future. Our validation procedures involve rigorous testing of electrical performance, reliability under thermal cycling, and compatibility with the customer's device fabrication and packaging flows, and typically span approximately three to nine months. The commencement, progress and completion of these procedures may be delayed, or may not be completed successfully, as a result of, among other things, (a) defects in the chip design; and (b) delays in the customer's completion, submission and review of reliability validation data from customers. Completion of validation does not guarantee purchase orders. Even through our pipeline products are eventually launched to the market, we may not achieve the revenue growth from our pipeline products, our path to profitability may be delayed or undermined, and our business, financial condition, results of operations and prospects could be materially and adversely affected.

Our business, financial condition and results of operations may be materially and adversely affected by international trade policies, sanctions and export controls, all of which are fast evolving in the current geopolitical landscape.

Certain foreign jurisdictions have imposed or may impose sanctions, export controls, or other trade-related restrictions in various forms against certain countries, individuals and legal entities, prohibiting or restricting certain business dealings and activities. Sanctions and export control laws or regulations could change in a way that could affect our business, exports or sales activities and/or could result in investigations, penalties or fines. Semiconductors are among the types of items subject to extensive export controls by the U.S. As the U.S.-China trade tensions may escalate, the scope of the trade restrictions imposed may also be broadened. There is no assurance as to how the U.S.-China trade tensions might develop or whether there will be any changes to the scope and extent of goods that are or will be subject to such export controls, sanctions, tariffs, or any other new trade controls introduced by the two countries. We cannot predict the direction of travel of the ongoing U.S.-China trade tensions and the potential implications of the same on our industry and the global economy. During the Track Record Period, our packaging products and testing service were offered to our customers, primarily fabless semiconductor companies, in the PRC, and to a lesser extent, customers in other jurisdictions in Asia. It is possible that (i) more of our customers' products may become subject to export controls, (ii) our customers may become sanctioned, (iii) the raw materials, tools and technology needed for our own business operations may become subject to export controls, import controls, or other trade restrictions, or (iv) our suppliers may become subject to sanctions, thereby affecting our ability to source our inputs, service our customers' products, or otherwise serve our customers in accordance with applicable laws and regulations. Furthermore, while we are looking to expand our business in the PRC, Taiwan, South Korea, Japan, Southeast Asia, the U.S. and Germany, our ability to do so would also depend on the scope and applicability of any relevant trade controls. To the extent that our customers' ability to export or otherwise sell the products (as serviced by us) is affected by sanctions, export controls or other trade restrictions, their trading conditions may deteriorate, which may in turn affect their demand for our services. As a result, our business, financial condition and results of operations may be materially and adversely affected.

We are exposed to risks associated with the Outbound Investment Rule that prohibit and require notification by U.S. persons for certain investments.

On October 28, 2024, the U.S. Department of the Treasury ("**Treasury**") issued the Provisions Pertaining to U.S. Investments in Certain National Security Technologies and Products in Countries of Concern ("**Outbound Investment Rule**"), to implement Executive Order 14105 of August 9, 2023. The Outbound Investment Rule, effective from January 2, 2025, is aimed at exerting greater U.S. government oversight over U.S. direct and indirect investments involving the PRC (including Hong Kong and Macau), and introduces new hurdles and uncertainties for cross-border collaborations, investments and funding opportunities of entities associated with those jurisdictions. More specifically, the Outbound Investment Rule imposes prohibition and notification requirements, subject to certain exceptions, on U.S. persons for a wide range of investments in "covered foreign persons" engaged in "covered activities" relating to (among other sectors) semiconductors and microelectronics. See "Regulatory Overview — U.S. Outbound Investment Rule". The Outbound Investment Rule could apply to U.S. persons (including their controlled foreign entities, if applicable) outside the U.S. should they participate in the Global Offering through offshore transactions in accordance with Regulation S.

As advised by our International Sanctions and Export Control Legal Advisors, our business activities constitute "covered activities", we are a "covered foreign person", and a U.S. person's investment in us will be regarded as a "covered transaction" which is prohibited unless any available exception applies. However, as advised by our International Sanctions and Export Control Legal Advisors, we are of the view that the Outbound Investment Rule is not expected to have any material adverse impact on the Group, the Global Offering or any investment prospects. See "Business — U.S. Outbound Investment Rule Implications". In particular, in light of the latest regulatory guidance, we are of the view, as advised by our International Sanctions and Export Control Legal Advisors, that a U.S. person's acquisition of our H Shares that are publicly listed and traded in the Global Offering may be excepted, assuming the U.S. person would not also be afforded rights beyond standard minority shareholder protections ("**publicly traded securities exception**").

While the time of acquisition for the purposes of the publicly traded securities exception is not defined, as advised by our International Sanctions and Export Control Legal Advisors, there is a reasonable argument to be made that the acquisition of the H Shares ought to crystallise only at settlement. Accordingly, as long as the settlement of the H Shares to be purchased by any U.S. person occurs after 9:00 am on the Listing Date, such H Shares would be publicly listed and traded securities, the purchase of which by U.S. persons would not be subject to the prohibition (or notification) requirement under the Outbound Investment Rule. Notwithstanding the above, there remains ambiguity regarding the scope and conditions of the publicly traded securities exception, and there is no assurance that the Treasury will take the same view as ours. To the extent that this exception is not available, U.S. persons may be prohibited from purchasing our H Shares in the Global Offering. Investors that are U.S. persons should consult their own legal counsel regarding the applicable compliance requirements, including their obligations and any applicable exception, under the Outbound Investment Rule in connection with the Global Offering; and there is no reporting obligation imposed on us under the Outbound Investment Rule in connection with the Global Offering.

In addition, even though U.S. persons' investment of certain publicly traded securities (such as purchasing our H Share in the open market) will fall under the publicly traded securities exception, the U.S. Outbound Investment Rule could still limit our ability to raise capital or contingent equity capital from U.S. investors prior to and after the Global Offering, as relevant laws, regulations, and policies continue to evolve. For example: (i) on February 21, 2025, the President of the United States issued the America First Investment Policy Memorandum ("**America First Memo**"), proposing to further expand the set of technologies and investment types of concern; and (ii) as stated in the "Regulatory Overview — U.S. Outbound Investment Rule", effective from December 18, 2025, the COINS Act, whilst not self-executing or having the effect of replacing or amending the Outbound Investment Rule immediately, requires the Treasury to, within 450 days from passage, promulgate new or amended regulations (which may then amend or replace the Outbound Investment Rule) to implement the law. We cannot predict how the Outbound Investment Rule will be enforced, and neither can we guarantee that there will not be an expansion to the scope of the Outbound Investment Rule, a change in interpretation to broaden its application, or an enactment of similar laws or regulations that impinge upon our business activities in the future. The uncertainty in the interpretation and enforcement of the Outbound Investment Rule may reduce the interest of U.S. investors (and possibly other investors) in our equity securities. In such a case, the trading price and liquidity of our H Shares may be adversely affected. If our ability to raise such capital is significantly and negatively affected, it could also be detrimental to our business, financial condition and prospects.

We are subject to risks relating to litigation and disputes with employees, suppliers, competitors, business partners or other parties, which could adversely affect our business, prospects, results of operations and financial condition.

We may be subject to disputes or claims of various types brought by our competitors, employees, suppliers, customers, business partners or governmental entities against us relating to contractual disputes, labor disputes, intellectual property infringements or disputes involving misconducts of our employees. Such claims and disputes may evolve into litigations and damage our reputation and goodwill. We cannot guarantee that we will not be subject to legal proceedings in the ordinary course of business. Litigation is distractive and expensive as it may cause us to incur defense costs, utilize a significant portion of our resources and divert management team's attention from our day-to-day operations, any of which could harm our business. In addition, we may need to spend a significant amount to settle claims or pay damages if we lose a lawsuit, which could have a material and adverse effect on our business, financial condition and results of operations. Moreover, we are currently involved in a contractual dispute with a business partner in connection with an energy storage power station project. The relevant court dismissed the plaintiff's claim for liquidated damages at first instance, and the plaintiff has lodged an appeal which remains pending. Although we do not expect the litigation to have a material adverse impact on our business operations or financial position, there can be no assurance that the appeal will be determined in our favour. If we are unsuccessful in the appeal, we may be required to pay damages and incur related costs, which could adversely affect our financial condition and results of operations.

Risk of Litigation Relating to Employees' Non-Compete Obligations.

Certain of our employees were previously employed by our competitors, some of whom may have entered into non-compete agreements with their former employers. While these employees joined our company after their respective non-compete periods had lapsed, there can be no assurance that their former employers will not initiate legal proceedings against these employees or our company. Such litigation could result in injunctive relief, damages, or other remedies, which may disrupt our operations and impose significant legal costs, potentially adversely affecting our business, financial condition, and reputation.

Confidentiality agreements and non-compete covenants with employees may not adequately protect our proprietary rights.

We have devoted substantial resources to the development of our technology and know-how. There can be no assurance that employment agreements entered into by us with our key employee with confidentiality, non-compete covenants and intellectual property ownership clauses will not be breached, that we will have adequate remedies for any breach in time or at all, or that our proprietary technology, know-how or other intellectual properties will not otherwise become known to third parties. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to obtain or maintain protection for our proprietary rights could adversely affect our business, financial condition, results of operations and competitive position.

We do not have long-term cooperation agreements or exclusive arrangements with some of our customers, who may choose to engage our competitors for business on short notice.

Our business depends on the quality of our packaging products and testing service and our sales and after-sales customer services. We do not have long-term agreements or exclusive arrangements with some of our customers. If we fail to expand or retain our business relationships with our major customers, or if our customers choose to end their business relationship with us for strategic, financial, or other reasons, we may lose these customers. While we plan to continue attracting new customers and cultivating ongoing relationships with existing ones, there is no guarantee that we will be able to expand and secure lasting business relationships with our customers, or prevent existing customers from ending their business relationships with us, which could further impact our financial performance.

Our business depends substantially on the efforts of our management and highly skilled and qualified personnel, including sales and marketing and R&D personnel, and our operations may be severely disrupted if we lost their services.

Our future performance depends on the services and contribution of our management to oversee and execute our business plans and identify and pursue new opportunities and innovations. Any loss of services of our management can significantly delay or prevent us from achieving our strategic business objectives, and adversely affect our business, financial condition and operating results. From time to time, there may be changes in our management team, resulting from the hiring or departure of executives, which could also disrupt our business. Additionally, competition for highly skilled personnel is often intense, and we may incur significant costs to attract and retain highly skilled personnel in our sales and marketing department and R&D department. We may not be successful in attracting, integrating, or retaining qualified personnel to fulfill our current or future needs. If we fail to attract new personnel or fail to retain and motivate our current personnel, our business and prospects could be adversely affected.

Our business is highly dependent on the cyclical semiconductor industry, and our packaging products and testing service are used in volatile industries, so industry downturns and declines in global economic and financial conditions could harm our performance.

Our business is impacted by market conditions in the semiconductor industry, which is cyclical by nature and impacted by broad economic factors, such as worldwide gross domestic product and consumer spending. Since our business is, and will continue to be, dependent on the requirements of semiconductor companies for packaging products and testing service, any downturn in the semiconductor industry or any other industry that uses a significant number of semiconductor devices, such as consumer electronics and other application scenarios, could have a material adverse effect on our business and operating results. It is difficult to predict the timing, strength or duration of any economic slowdown or subsequent economic recovery, which, in turn, makes it more challenging for us to forecast our operating results, make business decisions, and identify

risks that may affect our business, sources and uses of cash, financial condition and results of operations. Additionally, if industry conditions deteriorate, we could suffer significant losses, which could materially impact our business, liquidity, results of operations, financial condition and cash flows.

Our business substantially depends on the ability of our sales and marketing department to market our products and services directly to, and maintain ongoing and close relationships with, our customers.

We principally leverage a direct sales approach to market our products and services. This approach enables us to foster close relationships with our customers and have personalized interactions and deeper understanding of their specific needs. The effectiveness of our sales and marketing department in marketing and selling our products and services may be affected by a number of factors, including: (a) the skills, knowledge and expertise of our marketing and sales personnel in clearly understanding and pin-pointing the specific needs of customers; (b) the ability of our marketing and sales personnel in communicating and collaborating with our R&D departments, particularly in presenting high technical aspects of our products and services to our customers in more accessible terms; and (c) the manpower and resources available to our sales and marketing department in reaching out to potential customers and managing existing relationships. Our sales and marketing department may not be able to effectively expand our customer network or maintain good relationships with existing customers or commercialize customer relationships for the Company. Failure of our sales and marketing department to do so could adversely affect our business and prospects. Failure in effectively managing knowledge transfers and confidentiality and non-competition risks in respect of our outgoing sales and marketing employees may adversely impact our business and prospects.

Our business is concentrated in the PRC and is susceptible to any policy changes affecting the semiconductor industry which may materially and adversely affect our business.

During the Track Record Period, almost all of our business operations were based in the PRC and almost all of our revenue was derived from our sales in the PRC. As such, we are dependent on policies affecting the semiconductor industry in China. In recent years, China has been promoting and reshaping its domestic semiconductor industry through policy changes, leading to its semiconductor industry growing at a fast pace over the past few years. As such, our future prospects, success and continuous growth depend and will continue to depend on the strong support of the PRC government to the semiconductor industry in the foreseeable years. We cannot assure you that the PRC government will continue to promote and implement favorable policies for the semiconductor industry, or maintain the policies currently in effect to the semiconductor industry, and in turn, favorable to us. As a result, if such policies change or discontinue in the future, our financial performance and future business growth could be materially and adversely affected.

We may be exposed to credit risk arising from our trade and bills receivables. Failure to collect our trade and bills receivables in a timely manner or at all could have a material and adverse impact on our business, financial condition, liquidity and prospects.

During the Track Record Period, our trade and bills receivables primarily represent receivables from customers for sales of packaging products and testing service. As of December 31, 2023, 2024 and 2025 and April 30, 2026, our trade and bills receivables amounted to approximately RMB146.2 million, RMB168.2 million, RMB205.9 million and RMB200.1 million, respectively. The credit period granted to our customers was generally one to two months from the date of invoice. During the Track Record Period, our average trade receivable turnover days were approximately 68.5 days, 65.8 days, 61.7 days and 61.6 days for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2026. We have made impairment of approximately RMB4.3 million, RMB8.1 million, RMB6.5 million and RMB8.2 million to our trade and bills receivables as of December 31, 2023, 2024 and 2025 and April 30, 2026. We cannot assure you that we will be able to collect all or any of our trade receivables on time, or at all. We may not

be able to receive such customers' payment of uncollected debts in full, or at all, and may be exposed to credit risk. The occurrence of such event would materially and adversely affect our financial condition and results of operations.

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

We benefited from preferential tax treatment and government grants during the Track Record Period. The PRC EIT Law and its implementation rules have adopted a statutory enterprise income tax rate of 25%. However, the income tax of an enterprise that has been determined to be a high-technology enterprise can be reduced to a preferential rate of 15%. In addition, under the PRC EIT Law and its relevant regulations, 100% additional tax deduction is allowed for qualified R&D costs from January 1, 2021 to December 31, 2023. If we cease to be entitled to preferential tax treatment or if the relevant PRC laws and regulations change, our income tax expenses may increase, which would adversely affect our financial condition and results of operations. We recorded government grants of approximately RMB60.7 million, RMB97.0 million, RMB61.9 million, RMB 18.8 million and RMB21.2 million for the years ended December 31, 2023 and 2024 and 2025 and the four months ended April 30, 2025 and 2026, respectively, which mainly consist of subsidies received from government in support of our capital and operating expenditure. In addition, we benefited from preferential tax treatments from the PRC government during the Track Record Period.

We are party to various material contracts and breach of any such contract could expose us to significant legal and financial liabilities.

We are party to various material contracts that are essential to our business operations, financial performance, and strategic development, including agreements with key customers, suppliers, business partners, shareholders, and other stakeholders. A breach of any such contract could expose us to significant legal and financial liabilities. Such a breach may also result in operational disruptions. In addition, it could lead to disputes with counterparties, loss of trust and confidence among customers, suppliers, and employees, and reputational harm that may affect our brand image and market standing. Regulatory consequences may also arise if the breached contract involves compliance obligations or government-related approvals. Furthermore, a breach could hinder our ability to secure future commercial arrangements, attract investment, or maintain favorable credit terms. Any of these outcomes could materially and adversely affect our business, results of operations, financial condition, and future growth prospects.

Failure to comply with PRC labor laws and regulations including regulations in relation to social insurance and housing fund contributions for our employees, could subject us to fines and other legal or administrative sanctions.

We are required to contribute to a number of social insurance funds, including funds for pension insurance, unemployment insurance, basic medical insurance, work-related injury insurance, maternity insurance and housing provident fund on behalf of our employees in China. During the Track Record Period, we did not make full contributions to social insurance and housing provident funds for certain of our employees as required by relevant PRC laws and regulations. In 2023, 2024 and 2025 and the four months ended April 30, 2026, our shortfall in social insurance and housing provident fund contribution amounted to approximately RMB14.1 million, RMB15.4 million, RMB18.6 million and RMB9.7 million, respectively. According to the Regulation on the Administration of Housing Provident Funds (《住房公積金管理條例》), a PRC enterprise is required to set up housing provident fund accounts (住房公積金賬戶) and pay the housing provident fund in time and in full for its employees. According to the PRC Social Insurance Law (《中華人民共和國社會保險法》), a PRC enterprise is required to complete social insurance registration for its employees and to pay the social insurance contributions in time and in full. There is no assurance that our historical and current practice with respect to the contribution of social insurance plans will

at all times be deemed in full compliance with relevant PRC laws and regulations by PRC government authorities mainly due to the evolving interpretation and implementation of these laws and regulations. In the event of any such non- compliance, we may be required to pay any shortfall in social insurance contributions within a prescribed time period and to pay penalties if we fail to do so. In addition to the above, if we fail to comply with any other relevant PRC labor laws and regulations, we may be exposed to penalties or be required to pay damages to employees. Compliance with the relevant PRC labor laws and regulations could substantially increase our labor costs. Increases in our labor costs and future disputes with our employees could adversely affect our business, financial condition and results of operations. In particular, an increase in labor costs in China could increase our production costs in the future and we might not be able to pass these increases on to our consumers due to competitive pricing pressure. Furthermore, according to the Interpretation (II) of the Supreme People's Court on 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 became effective on September 1, 2025, where the employer and the employee agree, or the employee promises the employer, that there is no need to make social insurance contributions, the people's court shall determine that such agreement or promise is invalid. See "Regulatory Overview".

Grant of options under the Pre-IPO Share Option Scheme may affect our results of operations and dilute the Shareholders' percentage of ownership of our Company.

Our Company has approved, and may grant after the Listing, the Pre-IPO Share Option Scheme for the purpose of recognizing the contribution of certain eligible participants and incentivizing them in the future. The fair value of the options at the date on which they are granted will be charged as share-based compensation, which may materially and adversely affect our results of operations. The exercise of options approved under the Pre-IPO Share Option Scheme and options that may be granted under the Pre-IPO Share Option Scheme will result in the dilution to the percentage of ownership of the Shareholders and the net asset value per Share. See "Appendix VI Statutory and General Information — 4. Other Information — Pre-IPO Share Option Scheme".

An increase in prices of raw materials or shortage in supply may disrupt our supply chain, increase our business costs and delay deliveries of our products and services to customers.

We depend on the third party suppliers who providing us with raw materials for our packaging products and testing service. The raw materials sourced for the packaging products and testing processes of our products and services are subject to price volatility caused by external factors, such as commodity price fluctuations, changes in supply and demand, logistics and processing costs, our bargaining power with suppliers, inflation and governmental regulations and policies. We cannot assure that we can timely obtain the raw materials in a reasonable price and to avoid delaying delivery of our products and services to customers in the future, and our operation and financial position may be adversely affected should there be increase in prices of raw materials or shortage in supply.

Our business may suffer if the cost, quality or supply of materials changes adversely.

We source our materials from a limited group of suppliers. A disruption to the operations of some of our suppliers could have a negative impact on our business. In addition, we purchase the majority of our materials on a purchase order basis. Our business may be harmed if we cannot obtain materials and other supplies from our vendors in a timely manner, in sufficient quantities, at acceptable quality or at competitive prices. In addition, we may be unable to source qualified suppliers to meet the specific and customized needs of our customers. Our regular monitor and quality checks on the performance of our suppliers may not be effective or sufficient to ensure their service quality. We are exposed to legal liabilities if we are not able to monitor the performance of our suppliers, or if our suppliers violate any laws, rules or regulations in connection to matters such as environmental protection, and health and safety. The engagement of such suppliers also exposes us to risks associated with any non-performance, delayed performance or substandard performance

by our suppliers. In such case, we will have to replace suppliers and additional costs will be incurred. We may also incur additional costs or be subject to liability due to delay in schedule or defect in the works of our suppliers. These events may impact our profitability, financial results and reputation, as well as result in litigation or damages claims.

Our reliance on major equipment suppliers may adversely affect our capacity expansion plans if they fail to supply or timely deliver production equipment.

During the Track Record Period, our five largest equipment suppliers accounted for approximately 41% of our total purchases of production equipment. We rely on such suppliers to provide production equipment required for the establishment and expansion of our production capacity. If any of our major equipment suppliers experiences supply disruptions, delays in delivery or is otherwise unable to provide equipment that meets our technical, quality or other requirements, we may be unable to procure the required equipment on a timely basis or on commercially acceptable terms. This may delay the construction, commissioning or ramp-up of our production facilities and adversely affect our capacity expansion plans, business operations and financial performance.

Our brand is integral to our success. If we fail to effectively maintain, promote and enhance our brand, our business and competitive advantage may be harmed.

We believe that promoting, maintaining and enhancing our brand is critical to maintaining and expanding our business. Maintaining and enhancing our brand depends largely on our ability to continually and consistently provide quality products and services, which we cannot assure you we will be able achieve successfully. Quality issues, products and service performance, reliability and stability of our products and services as well as pricing may harm our reputation and brand, and we may introduce services or products which might be poorly received by our downstream customers. Additionally, if downstream customers have a negative experience using our products and services, such an encounter may affect our brand and reputation within the industry. Furthermore, we may incur additional expenses in promoting brand. We cannot assure you that our marketing spends will lead to increased revenue, and even if so, such increases in revenue may not be sufficient to offset expenses we incur in building and maintaining our reputation and brand name.

Packaging and testing processes are complex and our production yields and customer relationships may suffer from defects in the products and services we provide.

Semiconductor packaging and testing has complex processes that require significant technological and process expertise. Defects primarily result from: (a) contaminants in the manufacturing environment; (b) human error; (c) equipment malfunction; (d) changing processes to address environmental requirements; (e) defective raw materials; or (f) defective plating services. Testing also involves sophisticated equipment and software. Similar to many software programs, these software programs are complex and may contain programming errors or "bugs." The testing equipment is also subject to malfunction. In addition, the testing process is subject to operator error. These and other factors have, from time to time, contributed to lower production yields. In addition, we must continue to expand our offering of packaging products to be competitive. Our production yields on new packaging products may lower than our production yields on our more established packaging products. Our failure to maintain high standards or acceptable production yields, if significant and prolonged, could result in loss of customers, increased costs of production, delays, substantial amounts of returned goods and claims by customers relating thereto. Any of these problems could have a material adverse effect on our business, liquidity, results of operations, financial condition and cash flows. In addition, new customers usually require us to pass a lengthy and rigorous qualification process that may take several months. If we fail to qualify packaging products with potential customers or existing customers, such failure could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Differences between our customers' demand forecasts and confirmed purchase orders may affect our order visibility, production planning and supply chain management.

Certain of our customers generally provide us with rolling three-to-six month demand forecasts, which we use as a reference for production scheduling, procurement and inventory planning. Customers subsequently issue formal purchase orders as required for production, which, according to Frost & Sullivan, are generally placed in the month when the relevant production or delivery is required or in the preceding month. Accordingly, such demand forecasts do not represent confirmed purchase orders, and the actual quantity and timing of purchase orders may differ from those indicated in the forecasts. This may limit our visibility over future confirmed orders and make it more difficult for us to accurately plan our production and procurement activities. If confirmed purchase orders are lower than or delayed compared with the relevant demand forecasts, we may experience excess procurement or inventory, increased inventory holding costs or underutilisation of production capacity. Conversely, if confirmed purchase orders exceed the relevant forecasts or are placed later than expected, we may experience difficulties in procuring sufficient raw materials or arranging production in a timely manner, which may result in increased costs, delayed deliveries or lost sales. Any material discrepancy between customer demand forecasts and confirmed purchase orders could adversely affect our business, financial condition and results of operations.

We may fail to maintain and predict inventory levels in line with demand for our products and services, which could cause us to face the risk of obsolescence for our inventories or lose sales.

Our inventories consist of raw materials, work in progress products and finished products pending delivery. We have taken measures to optimize our inventory levels and conduct regular check to reduce the risk of inventory obsolescence. As of December 31, 2023, 2024 and 2025 and April 30, 2026, we had inventories of approximately RMB164.3 million, RMB176.4 million, RMB205.5 million and RMB236.0 million, respectively. As of December 31, 2023, 2024 and 2025 and April 30, 2026, we had inventory turnover days of approximately 72.3 days, 62.6 days, 58.3 days and 62.5 days, respectively. Our inventory levels may increase as our business expands and the risk of inventory obsolescence may also increase accordingly. We cannot guarantee that we will be able to maintain proper inventory levels for our raw materials. We maintain our inventory levels based on our internal forecasts of customers' demand. If our forecast demand is higher than actual demand, we may be exposed to increased inventory risks due to the accumulation of excess inventory of our raw materials. Excess inventory levels may increase our inventory holding costs, risk of inventory obsolescence or write-offs. Conversely, we may not be able to maintain an adequate inventory level and may lose sales and market share to our competitors. Therefore, our business prospects, financial condition and results of operations may be materially and adversely affected.

The fair value loss from financial assets at fair value through profit or loss may face uncertainties and be subject to fluctuations as the valuation of its fair value involves the use of unobservable inputs.

During the Track Record Period, we made investments on wealth management products issued by banks in the PRC. We recorded fair value loss from financial assets at fair value through profit or loss of approximately RMB0.9 million and RMB4.6 million for the years ended December 31, 2023 and 2024, respectively. We managed and evaluated the performance of investments on a fair value basis in accordance with our business needs and investment strategy. Details of the fair value measurement of financial assets at fair value through profit or loss are disclosed in Note 2 to the Accountants' Report in Appendix I to this Prospectus. The fair value of our financial assets measured at fair value through profit or loss is subject to potential fluctuations. The valuation of these assets involves the use of observable inputs, which can be inherently subjective and may not accurately reflect market conditions. Changes in assumptions or methodologies used in the valuation process could lead to substantial variations in the reported fair value of these financial assets. Consequently, any adverse changes in the fair value of these assets could materially and adversely affect our financial condition and results of operations.

We may not have sufficient insurance coverage to cover our potential liability or losses and as a result, our business, financial conditions, results of operations and prospects may be materially and adversely affected should any such liability or losses arise.

We face various risks in connection with our business, and may lack adequate insurance coverage or have no relevant insurance coverage. As of the Latest Practicable Date, we obtained and maintained insurance policies that are customary for businesses of our size and type and in line with standard commercial practice in China. As such, we may not have sufficient insurance coverage to cover our potential liability or losses and as a result, our business, financial conditions, results of operations and prospects may be materially and adversely affected should any such liability or losses arise.

We are subject to potential material and adverse effects in respect of defects in our existing properties leased in China.

As of the Latest Practicable Date, we leased six properties with an aggregate gross floor area of approximately 76,743.06 sq.m from third parties as premises of office spaces, production, R&D activities and staff dormitory. As of the Latest Practicable Date, six lease agreements had not been registered with the relevant competent authorities in accordance with applicable law and regulations in China. As advised by our PRC Legal Advisor, if we or the landlords fail to register such lease agreements for our leased buildings as required by the relevant competent authorities, we may be subject to a fine of RMB1,000 to RMB10,000 for each of the unregistered lease agreement. See "Business — Properties". There can be no assurance that the relevant government authorities would not impose administrative penalties on us as a result of the non-registration of these lease agreements which may adversely affect our business operations and financial condition. In addition, potential title defects might exist in the leasehold interest of our properties and our rights to some of the leased properties could face challenges from property owners or other external parties. As of the Latest Practicable Date, the lessor of one of our leased properties failed to provide us with the real estate ownership certificates. Part of a leased property, covering approximately 8,294.12 sq.m., is primarily used for our offices, production and R&D activities. According to the written confirmation issued by the authorized representative dated October 10, 2025, the lessor has not yet obtained the ownership certificates for the leased properties. There is a risk that such landlords may not have the right to lease or sublease such parts of the property to us, in which case we may be forced to vacate these properties and relocate. Moreover, if our lease agreements are challenged by third parties, it could result in diversion of management attention and cause us to incur costs associated with defending such actions, even if such challenges are ultimately determined in our favor.

We may need to raise additional capital in the future in order to execute our business plan, which may not be available on acceptable terms, or at all.

We may need additional capital in the future to fund our continued operations, and 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.

Our business expansion plan may not be successfully implemented or achieve the intended economic results or business objectives.

Our future success depends to a certain extent on our ability to expand our production capacity. In this connection, we plan to allocate approximately 60.7% of the net proceeds of the Global Offering for the construction of production base and new production lines and procurement of production-related equipment to enhance our production capacity, respectively. Our expansion plans may involve the following risks: (i) our actual production volume is affected by the demand and purchase orders for our products, which in turn may be affected by market trends, customers' preferences or other factors which are beyond our control; (ii) the demand for our products and revenue to be generated from the sale of our products may not increase in line with the increase in our production capacity; (iii) the direct labour costs, costs for raw materials and depreciation expenses to be incurred; and (iv) the entire expansion plan as set out in "Business — Strategy" fails to be implemented in full. Our expansion plans could also be adversely affected by other unexpected factors. There is no assurance that our business plans will materialise in accordance with the implementation plan as set out in "Future plans and use of proceeds". In the event that we fail to accomplish our business plans or to do so in a timely manner, we may not be able to achieve our planned future business growth and our operating results may be materially and adversely affected. Furthermore, our future business plans may result in significant capital expenditures, which may or may not be recoverable. Our business, results of operations and financial condition may be materially and adversely affected if our business objectives are not achieved.

Our future expansion may result in increased depreciation and amortisation expenses, which may adversely affect our gross margin and profitability.

We intend to continue investing in the construction and expansion of production facilities and production lines and the procurement of production equipment. Upon the relevant facilities and equipment becoming available for use, we will generally recognise depreciation and amortisation expenses over their estimated useful lives, regardless of whether the additional production capacity has reached its expected utilisation level or generated the anticipated revenue. Our depreciation and amortisation allocated to cost of sales amounted to RMB181.5 million, RMB240.5 million and RMB304.6 million in 2023, 2024 and 2025, respectively, representing 35.7%, 29.1% and 30.1% of our revenue for the respective years. For the four months ended April 30, 2025 and 2026, such depreciation and amortisation amounted to RMB90.5 million and RMB118.8 million, representing 24.5% and 28.0% of our cost of sales. Our future expansion is expected to result in additional depreciation and amortisation expenses as new production facilities and equipment are completed, commissioned and made available for use. If order conversion or production ramp-up is delayed, or if market demand and our production volume do not increase in line with the additional production capacity, the incremental revenue generated may be insufficient to absorb such additional expenses. This could increase our per-unit production costs, widen our gross loss margin, delay our achievement of gross profit or net profit breakeven and materially and adversely affect our business, results of operations and financial condition. There is no assurance that the additional production capacity created through our expansion will generate sufficient revenue or cost savings to offset the resulting increase in depreciation and amortisation expenses.

We may not be able to implement our planned growth or development if we are unable to obtain sufficient financial resources to meet our future capital requirements.

Capital requirements are difficult to plan in the highly dynamic, cyclical and rapidly changing semiconductor industry. From time to time and increasingly so for the next few years, we will continue to need significant capital to fund our operations and manage our capacity in accordance with market demands. Our continued ability to obtain sufficient external financing is subject to a variety of uncertainties, including but not limited to, our future financial condition, results of operations and cash flow, general market conditions for financing activities, market conditions for financing activities of semiconductor companies, and social, economic, financial, political and other conditions in the PRC and elsewhere. Sufficient external financing may not be available to us on a timely basis, on reasonable market terms, or at all. As a result, we may be forced to curtail our expansion and modification plans or delay the deployment of new or expanded products and services until we obtain such financing.

We may not be able to obtain additional funding on acceptable terms or at all, which may affect our ability to expand our business or meet unforeseen contingencies.

In addition, we cannot assure you that we will be able to obtain bank loans or renew existing credit facilities in the future on terms acceptable to us or at all. Our ability to do so will depend on a number of factors, many of which are beyond our control. In addition, we cannot assure you that we will have adequate cash flow to service our financing obligations. We may be unable to obtain additional capital in a timely manner or on acceptable terms, or at all. In addition, our future capital or other business needs could require us to sell additional equity securities. The sale of additional equity or equity-linked securities could dilute our Shareholders' shareholding interest. In case the capital required for our expansion could not be raised through the issuance of equity or equity-linked securities, we may need to incur additional indebtedness, which will lead to increased debt service obligations and could result in operating and financing covenants that may restrict our operations or our ability to pay dividends to our Shareholders. Our profitability would also be adversely affected if the increase in interest expenses could not be passed on to our downstream customers.

Our banking facilities may become unavailable, be reduced or not be renewed, which could adversely affect our operations and delay our path to profitability.

As of August 31, 2026, we had committed unutilized banking facilities of RMB1,650.2 million. The availability of such facilities is subject to the terms and conditions of the relevant facility agreements. Under certain circumstances including, where applicable, a material deterioration in our operations or financial condition which may materially affect our repayment capability, the relevant banks may withdraw or reduce the facilities available to us. In addition, there can be no assurance that such facilities will be renewed upon expiry on comparable terms or at all, as any renewal remains subject to the relevant banks' credit assessment and approval.

If any material portion of our banking facilities becomes unavailable, is reduced or is not renewed, we may be required to reduce or defer our working capital expenditures, equipment procurement, capacity expansion or production ramp-up plans, or seek alternative financing which may not be available on a timely basis or on acceptable terms. As our path to profitability depends, among other things, on increasing production volume, improving capacity utilisation and enhancing the absorption of fixed production costs, any material disruption to the availability of such financing may adversely affect our gross margin improvement and delay our achievement of gross profit or net profit breakeven. This could materially and adversely affect our business, financial condition and results of operations.

If we are unable to manage fluctuations in cash flow, our business and financial condition may be adversely affected.

Our working capital requirements and cash flows are subject to changes due to certain factors, including: (a) fluctuations in the revenue from our operating activities; (b) fluctuations in the collection of receivables; (c) timing and the size of payables; (d) timing and size of capital expenditures; and (e) the repayment schedules of our debt obligations. If we are unable to manage fluctuations in cash flow, we may not be able to fulfill our obligations under our business and operational agreements, and our operating results and financial condition may be materially adversely affected.

We are restricted by covenants in our financing agreements.

During the Track Record Period, we relied in part on external sources of funding, including bank borrowings and other sources to finance our business activities. As of December 31, 2023, 2024 and 2025 and April 30, 2026, our Group's interest-bearing bank and other borrowings were RMB575.9 million, RMB614.5 million, RMB961.8 million and RMB1,184.3 million, respectively. See "Financial Information — Indebtedness". Our loan agreements typically include material

covenants such as requirements to promptly notify the lending banks in the event of material adverse changes in our operations and financial condition as well as restrictions on the use of proceeds from the bank borrowings. We are typically required to obtain the prior written consent from the lending banks before we conduct reorganizations, mergers, demergers, joint ventures, capital reductions, equity transfers, transfers of major assets or creditor's rights, material investments, or other actions that may adversely affect our ability to repay the loans. We cannot assure you that we will be able to obtain the relevant consent from the lending banks for any of the activities restricted by the covenants in a timely manner or at all. If we engage in such activities and fail to obtain such consent, our business may be impeded. Some of our loan agreements also contain cross-default clauses, which could enable creditors under our loan agreements to declare an event of default should there be an event of default under our other loan agreements. Any event of default or cross-default could lead to an acceleration of our indebtedness or require us to compensate the lending banks for their losses, and as a consequence, our business, financial condition results of operations and prospects could be materially and adversely affected. In the event that we fail to comply with the financial covenants, the lending banks have the right to, among other things, (i) require us to immediately repay the loans and the accrued interest and indemnify them for any loss they may suffer therefrom and (ii) terminate our loan agreements. Furthermore, we may be required to provide additional guarantees to the lending banks.

An increase in interest rates may increase our finance costs and compromise our profitability.

We expect to continue utilizing bank and other loans to finance our business activities. For the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, we recorded finance costs of RMB88.5 million, RMB129.4 million, RMB153.7 million, RMB43.9 million and RMB56.1 million, respectively. As a number of our loans have floating interest rates linked to, among others, the benchmark rates of PBOC. In the PRC, the PBOC regulates the lending rates and reserve requirement ratios for commercial banks. Between 2012 and the Latest Practicable Date, the PBOC revised the benchmark one-year lending rate and adjusted the reserve requirement ratio for commercial banks several times. The reserve requirement refers to the amount of funds that banks must hold in reserve with the PBOC against deposits made by their customers. Increases in the bank reserve requirement ratios may negatively impact the amount of funds available to commercial banks in the PRC to lend to businesses including our Company. Accordingly, changes in the interest rate and reserve requirement ratios for banks have affected, and will continue to affect, our finance costs and profitability. We cannot assure that the PBOC will not raise lending rates or reserve requirement ratios in the future. If there is a material increase in the reference rates, including those set by the PBOC, during the term of our relevant loan facilities or when our current loan facilities become due, our finance costs may increase substantially and our liquidity, business, financial conditions, results of operations and prospects could be materially and adversely affected.

Our equity-settled share-based payment expenses may cause shareholding dilution to our existing Shareholders and have a material and adverse effect on our financial performance.

We adopted equity-settled share-based payment arrangements of share awards for the benefit of our Directors, officers and employees as remuneration for their services provided to us to incentivize and reward the eligible persons who have contributed to our success. In 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, we incurred equity-settled share-based payment expenses of RMB26.1 million, RMB35.7 million, RMB74.5 million, RMB41.1 million and RMB15.8 million, respectively. Issuance of Shares with respect to such share-based compensation may dilute the shareholding to our existing Shareholders. Expenses associated with equity-settled share-based compensation may also increase substantially, which may have an adverse effect on our financial performance.

Security breaches and other disruptions could compromise our confidential and proprietary information, which could cause our business and reputation to suffer.

We collect and store business data and transaction data of our customers, suppliers and business partners. See "Business — Data Security and Privacy". As we only make transactions with enterprises, we do not collect or process personal data. We maintain a financial system, a human resource management system and a business management system. The secure maintenance of such information is critical. Our information technology and infrastructure may be vulnerable to breaches by hackers, employee error, malfeasance or other disruptions such as natural disasters, power losses or telecommunication failures. Any such breach could compromise our networks and the information stored therein, possibly resulting in legal and regulatory actions, disruption of operations and customer services, and otherwise harming our business, reputation and future operations.

Our operations may be delayed or interrupted and our business could suffer if we fail, or are alleged to have failed, to comply with any existing or new environmental, occupational or safety regulations.

The semiconductor packaging processes generate by-products that are subject to extensive governmental regulations. We are subject to a variety of Chinese environmental, occupational or safety regulations relating to the use, discharge and disposal of toxic or otherwise hazardous materials used in our packaging products and testing processes. Any failure or any claim that we have failed to comply with these regulations could cause delays in providing our services and capacity expansion and affect our public image, which could harm our business. In addition, any failure of us to comply with these regulations could subject us to substantial fines or other liabilities or require us to suspend or adversely modify our operations. We may become subject to legislation, regulation, or treaty obligations designed to address global climate change, air quality in the PRC, and other environmental concerns. Compliance with any new rules could be costly, causing us to incur additional energy and environmental costs, as well as costs for defending and resolving legal claims.

The expansion into overseas markets may expose us to operational, financial and regulatory risks.

During the Track Record Period, our products and services were primarily sold in the PRC, from which our revenue for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026 amounted to RMB489.3 million, RMB807.2 million, RMB957.9 million, RMB302.7 million and RMB337.0 million, accounting for 96.1%, 97.6%, 94.6%, 98.8% and 93.7% of our total revenue for the same period, respectively. We are looking to continue expanding our business overseas, in regions such as Taiwan, China, South Korea, Japan, Southeast Asia, the U.S. and Germany. Expanding our global footprint and growing overseas sales is an important part of our future growth, but these efforts may not be successful. Overseas operations are subject to a number of risks, including but not limited to: (a) foreign exchange control and exchange rate fluctuations; (b) increased costs associated with maintaining the ability to understand the local markets and develop and maintain effective marketing and distributing presence in various regions; (c) difficulties and costs related to providing after-sales services and customer support in these markets; (d) difficulty with staffing and managing overseas operations; (e) difficulty and cost relating to compliance with different commercial and legal requirement of the overseas markets in which we offer or plan to offer our products and services; (f) unanticipated changes in prevailing economic conditions and regulatory requirements; and (g) trade barriers such as export requirements, tariffs, taxes and other restrictions and expenses. The occurrence of any of these risks could negatively impact our overseas expansion and consequently our business, financial condition and results of operating.

Decisions by our integrated device manufacturer customers to curtail outsourcing may adversely affect our business.

We have been dependent on the trend in outsourcing of packaging products and testing service by IDM. Our IDM customers continually evaluate the need for outsourcing their own in-house packaging products and testing service. As a result, at any time and for a variety of reasons, IDMs may decide to shift some or all of their outsourced packaging products and testing service to internally sourced capacity. The reasons IDMs may shift their internal capacity include: (a) their desire to realize higher utilization of their existing packaging and testing capacity, especially during downturns in the semiconductor industry; (b) their unwillingness to disclose proprietary technology; (c) their possession of more innovative packaging and testing technologies; and (d) the guaranteed availability of their own packaging and testing capacity. In addition, to the extent we limit capacity commitments for certain customers, these customers may increase their level of in-house packaging and testing capabilities, which could make it more difficult for us to regain their business when we have available capacity.

We may be subject to natural disasters, acts of war or terrorism or other factors beyond our control, which could significantly disrupt our operations and those of our business partners.

Natural disasters, acts of war, terrorism or other factors beyond our control may adversely affect the economy, infrastructure and livelihood of the people in the regions where we conduct our business. Our operations may be under the threat of widespread health epidemic or pandemic outbreaks, floods, earthquakes, sandstorms, snowstorms, fire or drought, power, water or fuel shortages, failures, malfunction and breakdown of information management systems, unexpected maintenance or technical problems, or are susceptible to potential wars or acts of terrorism. Our revenue and profitability could be materially reduced in the event that a natural disaster, health epidemic or pandemic or other outbreaks or war harm the global or PRC economy in general. Moreover, we conduct our packaging products and testing operations at a limited number of facilities. Significant damage or other impediments to any of these facilities, whether as a result of fire, flood, weather, the outbreak of infectious diseases, civil strife, industrial strikes, breakdowns of equipment, difficulties or delays in obtaining materials and equipment, natural disasters, terrorist incidents, industrial accidents or other causes could temporarily disrupt or even shut down our operations, which would have a material adverse effect on our business, financial condition and results of operations. While we maintain insurance policies for various types of property, casualty and other risks, we do not carry insurance for all the above referred risks and with regard to the insurance we do maintain, we cannot assure you that it would be sufficient to cover all of our potential losses. In addition, the packaging products and testing process requires a stable source of electricity. As our production capabilities increase and our business grows, our requirements for electricity will grow substantially. If there is an insufficient supply of electricity to satisfy our requirements, we may need to limit or delay our production, which could adversely affect our business and operating results.

We face risks of sharing relevant R&D results and intellectual properties with our collaboration partners.

During the Track Record Period and up to the Latest Practicable Date, we collaborated with universities and research institutions to conduct R&D on certain technologies and shared certain R&D results. We also jointly applied for patents with our collaboration partners. We may enter into similar arrangements with our collaboration partners and other third parties in the future. Should the arrangements not be clearly articulated, they could lead to limited use of relevant shared R&D results, and the ownership of such shared result R&Ds may be unclear. There is no assurance that our relevant counterparties would not advertently or inadvertently misuse the R&D results that we collaboratively form, or advertently or inadvertently misappropriate the R&D results owned solely by us and that are incidentally shared during our collaboration with them. Our business, financial condition and results of operations may be adversely impacted if any of the aforementioned incidents happen.

RISKS RELATING TO THE LOCATION WHERE WE CONDUCT BUSINESS

Changes in the economic, political and social conditions in China could affect our business and prospects.

All of our business, assets and operations are located in China, and therefore, our business, financial condition, results of operations and prospects are affected to a large extent by the general political, economic and social developments in China. Similar to many other countries and regions, China regulates its economy through imposing and adjusting industrial, fiscal or monetary policies from time to time. Our business has been and would continue to be affected by China's economy, which in turn is increasingly influenced by the global economy. The uncertainties in the global economy and the geo-political or social environment in various regions around the world would continue to influence China's economic growth and may cause uncertainties in our prospects. Future changes in economic, political, social, and regulatory conditions may continue to influence our business, financial condition, results of operations and prospects.

We may be affected by currency exchange regimes and exchange rate fluctuation.

While our revenue, liabilities, and assets are substantially all denominated in Renminbi, the PRC Government regulates the convertibility of the Renminbi into foreign currencies. See "Regulatory Overview". The foreign exchange management policies could affect us in receiving sufficient foreign currency to meet our financial needs. Foreign currency shortages may limit our ability to pay dividends or other payments to our Shareholders or otherwise satisfy our foreign currency-denominated commitments. In accordance with the present PRC foreign exchange laws, certain recurring expenses may be paid for in foreign currency without prior approval from the local branch of SAFE provided that certain procedural conditions are met. However, government approval is necessary when Renminbi is to be converted into foreign currency and transmitted outside China to pay capital expenses such as the repayment of foreign currency-denominated debt. The restrictions on foreign exchange transactions imposed by capital accounts could also affect our ability to access foreign currency through debt or equity financing, such as loans or capital contributions from us. Moreover, such foreign exchange control measures may change in the future, should such change relates to the foreign currency control over our trading account, we may not be able to pay dividends in foreign currencies to Shareholders.

Fluctuations in the value of the Renminbi may have an effect on our business.

The value of the Renminbi against the Hong Kong dollar, the U.S. dollar, and other currencies is subject to fluctuations and changes that result from various factors, including economic and political developments of the domestic and international societies, and supply and demand in the local market. With an increased floating range of the Renminbi's value against foreign currencies and a more market-oriented mechanism for determining the mid-point exchange rates, the Renminbi may further appreciate or depreciate gradually in value against the Hong Kong dollar, the U.S. dollar, or other foreign currencies in the long-term, depending on the fluctuation of the basket of currencies against which it is currently anchored. The Renminbi may also be allowed to be exchanged freely with U.S. dollar and/or other foreign currencies, which may also result in a significant appreciation or depreciation against the U.S. dollar or other foreign currencies. We cannot assure you that the Renminbi will not experience significant appreciation or depreciation against the U.S. dollar or other foreign currencies in the future. Our revenues, liabilities, and assets are mainly denominated in Renminbi, whereas the proceeds from our Global Offering will be denominated in Hong Kong dollars. As a result, material variations in the Renminbi-Hong Kong dollar exchange rate may have a negative impact on the value and amount of any dividends payable on our Shares. All of these factors could materially affect our business, financial condition, results of operations and prospects, and could reduce the value of, and dividends payable on, our Shares in foreign currency terms.

Holders of our H Shares may be subject to PRC income tax on dividends from us or on any gain realized on the transfer of our H Shares.

As is customary with all major economies, China has tax treaties or similar arrangements with jurisdictions across the world. Under the EIT Law and its implementation rules, subject to any applicable tax treaty or similar arrangement between China and your jurisdiction of residence that provides for a different income tax arrangement, PRC withholding tax at the rate of 10% is normally applicable to dividends from PRC sources payable to investors that are resident enterprises outside of the PRC, which do not have an establishment or place of business in the PRC, or which have such establishment or place of business if the relevant income is not effectively connected with the establishment or place of business. Any gain realized on the transfer of shares by such investors is subject to 10% (or a lower rate) PRC income tax if such gain is regarded as income derived from sources within the PRC unless a treaty or similar arrangement otherwise provides. Under the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法》) and its implementation rules, dividends from sources within the PRC paid to foreign individual investors who are not residents in the PRC are generally subject to a PRC withholding tax at a rate of 20% and gains from PRC sources realized by such investors on the transfer of shares are generally subject to 20% PRC income tax, in each case, subject to any reduction or exemption set forth in applicable tax treaties and PRC laws. Although our business operations are in China, it is unclear whether dividends we pay with respect to our H Shares, or the gain realized from the transfer of our H Shares, would be treated as income derived from sources within the PRC and as a result be subject to PRC income tax. If PRC income tax is imposed on gains realized through the transfer of our H Shares or on dividends paid to our non-resident investors, the value of your investment in our Shares may be adversely affected. Furthermore, our Shareholders whose jurisdictions of residence have tax treaties or arrangements with the PRC may not qualify for benefits under such tax treaties or arrangements.

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

Substantially all of our assets and all of our Directors are located in the PRC. It may not be possible for investors to serve those individuals or us in the PRC with legal documents. On July 14, 2006, the Supreme People's Court of the PRC and Hong Kong Special Administrative Region Government entered into 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 (《最高人民法院關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排》) (the "**Arrangement**"), which was taken into effect on August 1, 2008. Pursuant to which a party with an enforceable final court judgment rendered by any designated Mainland court or any designated Hong Kong Special Administrative Region court requiring payment of money in a civil and commercial case according to a choice of court agreement in writing may apply for recognition and enforcement of the judgment in the relevant Mainland court or Hong Kong Special Administrative Region court. Similarly, a party with an enforceable final judgment rendered by a Mainland court requiring payment of money in a civil and commercial case pursuant to a choice of court agreement in writing may apply for recognition and enforcement of such judgment in Hong Kong. A choice of court agreement in writing is defined as any agreement in writing entered into between parties after the effective date of the Arrangement in which a Hong Kong Special Administrative Region court or a Mainland court is expressly identified as the court having sole jurisdiction for the dispute. Therefore, it may not be possible to enforce a Hong Kong Special Administrative Region court's verdict in the PRC if the parties to the dispute did not agree to a written choice of court agreement. On January 18, 2019, the Supreme People's Court of the PRC and Hong Kong Department of Justice entered into 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案件判決的安排》) (the "**New Arrangement**"), which seeks to establish a bilateral legal

mechanism that provides clarity and certainty for the recognition and enforcement of judgments in a wider range of civil and commercial matters between Hong Kong and PRC, based on criteria other than a written choice of court agreement. The Arrangement was superseded upon the effectiveness of the New Arrangement on January 29, 2024 but remained applicable to a "written choice of court agreement" entered into before the Arrangement taking effect. However, we cannot assure you that all final judgments will be recognized and effectively enforced by the relevant PRC court.

RISKS RELATING TO THE GLOBAL OFFERING AND OUR SHARES

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

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

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

The price at which our H Shares will trade after the Global Offering will be determined by the marketplace, which may be affected by various factors beyond our control, including: (a) our financial performance; (b) changes in securities analysts' estimates, if any, of our financial performance; (c) the history of, and the prospects for, ourselves and the industry in which we operate; (d) an assessment on the prospects for, and timing of, our future revenue and cost structures that independent research analysts may publish, if any; (e) the present state of our development; (f) the valuation of publicly traded companies that are engaged in business activities similar to ours; (g) general market sentiment regarding the industry we operate in; (h) changes in laws and regulations of China; (i) our actual or perceived failure to compete effectively in the market; and (j) political, economic, financial and social conditions. In addition, the Hong Kong Stock Exchange has from time to time experienced significant volatility in trading prices and volumes that have affected the market prices of securities of companies quoted on the Hong Kong Stock Exchange. As a result, investors in our H Shares may experience volatility in the market price of their H Shares and a decrease in the value of their H Shares regardless of our operating performance or prospects.

Our Single Largest Group of Shareholders have substantial influence over our Group and its interests may not be aligned with the interests of our other Shareholders.

Our Single Largest Group of Shareholders have significant influence in determining the outcome of any corporate transaction or other matter submitted to the Shareholders for approval, including but not limited to mergers, privatizations, consolidations and the sale of all, or substantially all, of our assets, election of directors, and other significant corporate actions. Immediately following the completion of the Global Offering, the Single Largest Group of Shareholders will be together entitled to control the exercise of approximately 22.45% of the voting rights and thus remain as Single Largest Group of Shareholders of our Company. The interests of our Single Largest Group of Shareholders might differ from the interests of our other Shareholders. In the event that our Single Largest Group of Shareholders cause us to pursue strategic objectives that conflict with the interests of our other Shareholders, our other Shareholders could be disadvantaged, and their interests could be damaged. Any conflict of interest between our Single Largest Group of Shareholders and our other Shareholders may also materially and adversely affect the aspects such as the decision and implementation of our business plans, which may in turn affect our operations and prospects.

Should the Offer Price be higher than the net tangible book value per Share, subject to pricing, you may experience an immediate dilution in the book value of the Offer Shares you purchased in the Global Offering and may experience further dilution if we issue additional Shares in the future.

The Offer Price of the Offer Shares may be higher than the net tangible book value per Share immediately prior to the Global Offering. As a result, you and other purchasers of the Offer Shares in the Global Offering may experience an immediate dilution in pro forma net tangible asset value. In order to expand our business, we may consider offering and issuing additional Shares in the future. Purchasers of the Offer Shares may experience dilution in the net tangible asset value per share of their Shares if we issue additional Shares in the future at a price which is lower than the net tangible asset value per Share at that time. Furthermore, we may issue Shares pursuant to share incentive schemes, which would further dilute Shareholders' interests in our Company.

Certain facts, forecast and statistics contained in this prospectus are derived from publicly available official government sources and they may not be reliable.

Certain facts, forecast and statistics contained in this prospectus relating to China, the PRC economy and the industry in which we operate have been derived from various official government publications. We have taken reasonable care in the reproduction or extraction of the official government publications for the purpose of disclosure in this prospectus. However, the information from the official government sources were not prepared or independently verified by us, the Sole Sponsor, the Sole Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Market Intermediaries or any of their respective affiliates or advisors and, therefore, we make no representation as to the accuracy of such facts, forecast and statistics, which may not be consistent with other information compiled within or outside the PRC. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice, such statistics in this prospectus may be inaccurate or may not be comparable to statistics produced with respect to other economies. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as the case may be in other jurisdictions. In all cases, investors should give consideration as to how much weight or importance they should attach to or place on such facts, forecast and statistics.

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

This prospectus contains certain statements and information that are forward-looking and uses forward-looking terminology such as "believe," "expect," "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.

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

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

WAIVER IN RELATION TO MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, we must have a sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong. Rule 19A.15 of the Listing Rules further provides that the requirement under Rule 8.12 may be waived by having regard to, amongst other considerations, the applicant's arrangement for maintaining regular communication with the Stock Exchange.

Our Group's headquarters and principal business operations are located in the PRC. To better manage and attend to our business operations, the executive Directors are, and expect to continue to be, based primarily in the PRC. Since our executive Directors ordinarily reside in the PRC and they play important roles in our Company's business operations, it is in our best interests for them to be based in places where our Group has significant operations. We consider that it would not be practically feasible or commercially reasonable for us to arrange two executive Directors to be ordinarily resident in Hong Kong, either by means of relocation of our existing executive Directors or appointment of additional executive Directors.

Therefore, our Company does not have, and does not contemplate in the foreseeable future that we will have sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rules 8.12 of the Listing Rules.

Accordingly, pursuant to Rule 19A.15 of the Listing Rules, we have applied to the Stock Exchange for, and the Stock Exchange has granted us a waiver from strict compliance with Rules 8.12 and 19A.15 of the Listing Rules, subject to the conditions that, among other things, we implement the following arrangements to maintain effective communication between us and the Stock Exchange:

(i) we have appointed two authorized representatives pursuant to Rule 3.05 of the Listing Rules, who will act as our principal channel of communication with the Stock Exchange. The two appointed authorized representatives are Mr. Pan Mingdong (潘明東), our executive Director, and Ms. Ye Jiahong (葉嘉紅), one of our joint company secretaries (the "**Authorized Representatives**"), who will be readily contactable by phone and email to deal promptly with enquiries from the Stock Exchange. In addition, the Authorized Representatives will be able to meet with the relevant members of the Stock Exchange to discuss any matters in relation to our Company within a reasonable period of time upon request of the Stock Exchange;

(ii) when the Stock Exchange wishes to contact our Directors on any matter, each of our Authorized Representatives will have all necessary means to contact all our Directors (including our independent non-executive Directors) promptly at all times. In the event that any Director expects to travel or otherwise be out of office, he/she will provide a contactable phone number to the Authorized Representatives. Pursuant to Rule 3.20 of the Listing Rules, each of our Directors has provided their respective telephone number, mobile phone number, facsimile number (if available), email address (if available), residential address and correspondence address to the Stock Exchange. Our Company will also inform the Stock Exchange as soon as practicable in respect of any change in the authorized representatives in accordance with the Listing Rules.

(iii) all Directors who do not ordinarily reside in Hong Kong have confirmed that they possess or can apply for valid travel documents to visit Hong Kong and are able to meet with the Stock Exchange within a reasonable period upon request of the Stock Exchange;

(iv) our Company has, in accordance with Rule 3A.19 of the Listing Rules, also appointed Quam Capital Limited as our compliance advisor (the "**Compliance Advisor**"), who will act as an additional channel of communication with the Stock Exchange. The Compliance Advisor will advise ongoing compliance requirements and other issues arising under the Listing Rules and other applicable laws and regulations in Hong Kong for a period commencing on the Listing Date and at least until the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of our Company's financial results for the first full financial year after the Listing Date. Pursuant to Rule 3A.23 of the Listing Rules, we shall ensure that the Compliance Advisor will have full access at all times to our Authorized Representatives, our Directors and other officers. We shall also ensure that our Authorized Representatives, our Directors and other officers will provide promptly such information and assistance as the Compliance Advisor may need or may reasonably require in connection with the performance of the Compliance Advisor's duties as set forth in Chapter 3A of the Listing Rules. We shall ensure that there are adequate and efficient means of communication among our Company, our Authorized Representatives, our Directors and other officers and the Compliance Advisor, and will keep the Compliance Advisor fully informed of all communications and dealings between us and the Stock Exchange;

(v) any meeting between the Stock Exchange and our Directors will be arranged through the Authorized Representative or the Compliance Advisor, or directly with our Directors within a reasonable time frame. Our Company will inform the Stock Exchange promptly in respect of any changes in Authorized Representatives and the Compliance Advisor; and

(vi) we will retain a Hong Kong legal advisor to advise us on the on-going compliance requirements, any amendment or supplement to and other issues arising under the Listing Rules and other applicable laws and regulations in Hong Kong after the Listing Date.

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 or her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary. Note 1 to Rule 3.28 of the Listing Rules further provides that the Stock Exchange considers the following academic or professional qualifications to be acceptable:

(i) a member of The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries);

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

(iii) 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 sets out the factors that the Hong Kong Stock Exchange will consider in assessing an individual's "relevant experience":

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

(ii) 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;

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

(iv) professional qualifications in other jurisdictions.

Pursuant to paragraph 13 of Chapter 3.10 of the Guide for New Listing Applicants, 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:

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

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

(iii) 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 of 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:

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

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

The Company considers that while it is important for the company secretary to be familiar with the relevant securities regulations in Hong Kong, he or she also needs to have experience relevant to the Company's operations, a nexus to our Board and a close working relationship with the management of the Company in order to perform the functions of a company secretary and to take the necessary actions in the most effective and efficient manner. It is for the benefit of the Company to appoint a person who is familiar with the Company's business and affairs as company secretary.

We have appointed Ms. Fang Yaping (方亞萍), who is the secretary of our Board, as one of our joint company secretaries. Although Ms. Fang Yaping does not possess the qualification and sufficient relevant experience as stipulated in the notes to Rule 3.28 of the Listing Rules, we would like to appoint her as our joint company secretary taking into account her past management experience and her thorough understanding of the internal administration and business operations of our Group. In addition, we have appointed Ms. Ye Jiahong (葉嘉紅), who fulfils the requisite qualification in Note 1 to Rule 3.28 of the Listing Rules, as one of our joint company secretaries and to assist Ms. Fang to acquire all qualification and experience required under Rule 3.28 of the Listing Rules. Please refer to the section headed "Directors, Supervisor and Senior Management" in this prospectus for further information regarding the qualifications and experience of Ms. Fang Yaping and Ms. Ye Jiahong.

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 on the basis of the proposed arrangements below:

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

(ii) Ms. Fang Yaping has confirmed that she will be attending a total of no less than 15 hours of training courses on the Listing Rules, corporate governance, information disclosure, investors relation as well as the functions and duties of the company secretary of a Hong Kong listed issuer during each financial year as required under Rule 3.29 of the Listing Rules;

(iii) Ms. Ye Jiahong will assist Ms. Fang Yaping to enable her to acquire the relevant experience (as required under Rule 3.28 of the Listing Rules) to discharge the duties and responsibilities as the company secretary of our Company;

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

(v) upon expiry of Ms. Fang Yaping's initial term of appointment as the company secretary of our Company, our Company will evaluate her experience in order to determine if she has acquired the qualifications required under Rule 3.28 of the Listing Rules, and whether on-going assistance should be arranged so that Ms. Fang Yaping's appointment as the company secretary of our Company continues to satisfy the requirements under Rules 3.28 and 8.17 of the Listing Rules. The waiver will be revoked immediately if Ms. Ye Jiahong ceases to provide assistance to Ms. Fang Yaping as a joint company secretary for the three-year period after the Listing or where there are material breaches of the Listing Rules by our Company;

(vi) our Company has appointed Quam Capital Limited as the Compliance Advisor pursuant to Rule 3A.19 of the Listing Rules which will act as the additional communication channel with the Stock Exchange (for a period commencing on the Listing Date and ending on the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year after the date of listing, or until the engagement is terminated, whichever is earlier). Quam Capital Limited will provide professional guidance and advice to our Company as to the compliance with the Listing Rules and all other applicable laws and regulations; and

(vii) the waiver is valid for an initial three-year period commencing from the Listing, and will be revoked immediately if Ms. Ye Jiahong ceases to provide assistance and guidance to Ms. Fang Yaping, or if there are material breaches of the Listing Rules by our Company. Prior to the expiry of the initial three-year period, our Company will re-evaluate the qualifications and experiences of Ms. Fang Yaping and demonstrate and seek the Stock Exchange's confirmation that Ms. Fang Yaping, having had the benefit of assistance from Ms. Ye Jiahong's for three years, would then have acquired the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules such that a further waiver would not be necessary.

DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

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

CSRC FILING REQUIREMENT

According to the Overseas Listing Trial Measures, we are required to complete the filing procedures with the CSRC in connection with the proposed Listing. We have submitted a filing to the CSRC for application for the Listing on November 1, 2025. The CSRC confirmed the completion of our filing on August 20, 2026.

GLOBAL OFFERING

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

The Hong Kong Offer Shares are offered solely on the basis of the information contained and representations made in this prospectus and on the terms and subject to the conditions set out herein 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 and therein must not be relied upon as having been authorized by our Company, the Sole Sponsor, the Sole Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and the Capital Market Intermediaries, any of the Underwriters, any of our or their respective directors, officers, employees, agents or representatives of any of them or any other parties involved in the Global Offering.

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

The Offer Price is expected to be determined by agreement between the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Underwriters) and our Company by 12:00 noon on Friday, November 6, 2026. If, for any reason, the Offer Price is not agreed between the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Underwriters) and our Company by 12:00 noon on Friday, November 6, 2026, the Global Offering will not proceed and will lapse.

See the section headed "Underwriting" for further information about the Underwriters and the underwriting arrangements.

CONVERSION OF UNLISTED SHARES INTO H SHARES

The Company has applied for conversion of 693,909,187 Unlisted Shares held by the existing Shareholders into H Shares. The relevant filing procedures in relation to the conversion of the Unlisted Shares have been completed on August 20, 2026. See the sections headed "History, Development and Corporate Structure" and "Share Capital" for details of the Shareholders and their interests in the Company and the relevant procedures for conversion of Unlisted Shares into H Shares.

RESTRICTIONS ON OFFER AND SALE OF THE OFFER

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

No action has been taken to permit a public offering of the Offer Shares in any jurisdiction other than Hong Kong, and no action has been taken to permit the distribution of this Prospectus in any jurisdiction other than Hong Kong. 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. The distribution of this Prospectus and the offering and sales of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom. In particular, the Hong Kong Offer Shares have not been publicly offered or sold, directly or indirectly, in the PRC or the United States.

APPLICATION FOR LISTING OF THE H SHARES ON THE STOCK EXCHANGE

We have applied to the Listing Committee for the granting of the listing of, and permission to deal in, the H Shares to be issued by us pursuant to the Global Offering (including the H Shares which may be issued pursuant to the exercise of the options granted under the Pre-IPO Share Option Scheme) and the conversion of Unlisted Shares into H Shares, on the basis that, among other things, our Company satisfies the market capitalization/ revenue test under Rule 8.05(3) of the Listing Rules with reference to (i) our revenue in 2025, being RMB1,012.2 million (equivalent to approximately HK$1,182.2 million), which is over HK$500 million, and (ii) our expected market capitalization at the time of Listing, which, based on the low end of the indicative Offer Price range, exceeds HK$4 billion.

Dealings in the H Shares on the Stock Exchange are expected to commence on Tuesday, November 10, 2026. No part of our share capital was listed on or dealt in on any other stock exchange and no such listing or permission to list was being or proposed to be sought on the Stock Exchange or any other stock exchange as of the date of this Prospectus. All the Offer Shares will be registered on our H Share register of members in order to enable them to be traded on the Stock Exchange.

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

H SHARE REGISTER OF MEMBERS AND HONG KONG STAMP DUTY

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

Dealings in the H Shares registered in our H Share register will be subject to Hong Kong stamp duty. Hong Kong stamp duty currently is charged to each of the seller and purchaser at the ad valorem rate of 0.1% on the higher of the consideration for or the market value of the H Shares transferred. In other words, a total of 0.2% will be payable on a typical sale and purchase transaction of the H Shares. In addition, a fixed stamp duty of HK$5.00 is currently payable on each instrument of transfer of H Shares. Investors should seek professional tax advice for further details of Hong Kong stamp duty.

Unless otherwise determined by our Board, dividends will be paid to Shareholders whose names are listed on our H Share register of members in Hong Kong, by ordinary post, at the Shareholders' risk in Hong Kong dollars to the registered address of each Shareholder.

PROFESSIONAL TAX ADVICE RECOMMENDED

Potential investors in the Global Offering are recommended to consult their professional advisors as to the taxation implications of subscribing for, purchasing, holding or disposal of, and/or dealing in the Offer Shares or exercising rights attached to them. None of us, the Sole Sponsor, the Sole Sponsor-Overall Coordinator, 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, advisors 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 Offer Shares or exercising any rights attached to them.

SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the Offer 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 Stock Exchange or any other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second settlement day after any trading day. All activities under CCASS are subject to the General Rules of HKSCC and the HKSCC Operational Procedures in effect from time to time. All necessary arrangements have been made for the H Shares to be admitted into CCASS.

Investors should seek the advice of their stockbrokers or other professional advisors for details of the settlement arrangements and how such arrangements will affect your rights and interests as such arrangements may affect their rights and interests.

PROCEDURES FOR APPLICATION FOR HONG KONG OFFER SHARES

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

STRUCTURE OF THE GLOBAL OFFERING

Details of the structure of the Global Offering, including its conditions, are set out in the section headed "Structure of the Global Offering."

EXCHANGE RATE CONVERSION

Solely for your convenience, this Prospectus contains translations among certain amounts denominated in RMB, Hong Kong dollars and USD. 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. Unless indicated otherwise, (i) the translations between RMB and USD were made at the rate of RMB6.7192 to US$1.00, being the PBOC rate prevailing as of the Latest Practicable Date, (ii) the translations between Hong Kong dollars and RMB were made at the rate of RMB0.8562 to HK$1.00, being the PBOC rate prevailing as of the Latest Practicable Date, and (iii) the translations between US dollars and Hong Kong dollars were made at the rate of HK$7.8478 to US$1.00, being the PBOC rate prevailing as of the Latest Practicable Date. Any discrepancies in any table between totals and sums of amounts listed therein are due to rounding.

LANGUAGE

If there is any inconsistency between this Prospectus and the Chinese translation of this Prospectus, this Prospectus shall prevail. However, the English names of the PRC nationals, entities, departments, facilities, certificates, titles, laws, regulations and the like are translations of their Chinese names and are included for identification purposes only. If there is any inconsistency, the Chinese name prevails.

ROUNDING

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

MARKET SHARE DATA CONVENTION

The statistical and market share information contained in this Prospectus has been derived from official government publications and other sources, including information or data provided by Frost & Sullivan. Unless otherwise indicated, the information has not been verified by us independently. This statistical information may not be consistent with other statistical information from other sources within or outside the PRC. While reasonable caution has been made in the process of reproducing the data and statistics extracted from such official government publications or other sources, the Sole Sponsor and our Company, or any of their directors, employees, agents, and representatives make no representation to the appropriateness, accuracy, completeness or reliability of any such statistical and market share information.

DIRECTORS

Name	Residential address	Nationality
Executive Directors		
Mr. Zhang Guodong (張國棟)	Room 304, Building 2 Hongqiao 5th Village Jiangyin City Jiangsu Province PRC	Chinese
Mr. Pan Mingdong (潘明東)	Room 101 No. 5 Chengyuan Jiangyin City Jiangsu Province PRC	Chinese
Mr. Liu Yi (劉怡)	Room 202, No. 15, Lane 555 Boshan East Road Pudong New District Shanghai PRC	Chinese
Dr. Long Xinjiang (龍欣江)	Room 1801, No. 297 Heyuan Jiangyin City Jiangsu Province PRC	Chinese
Non-executive Directors		
Ms. Wang Chuxuan (王楚璇)	No. 77 Pujian Road Pudong New District Shanghai PRC	Chinese
Ms. Yu Xiaolin (于曉琳)	Room 603 No. 58 Daochang Lane Chong'an District Wuxi City Jiangsu Province PRC	Chinese
Independent non-executive Directors		
Ms. Jiao Jie (焦捷)	Flat 6A, Block 5 Ultima 23 Fat Kwong Street Homantin Kowloon Hong Kong	Chinese

Name	Residential address	Nationality
Dr. Wang Xiaomu (王肖沐)	Side Entrance No. 27 Dongjiaomin Lane Dongcheng District Beijing PRC	Chinese
Mr. Li Quanxing (李全興)	Room 1105, Building 42 Xiao Nan Zhuang Haidian District Beijing PRC	Chinese
SUPERVISOR		
Mr. Liu Xin (劉鑫)	Room 308, Unit 4, Building 05 Guimeisong Garden Jinxiu Huachen No. 59 Puzhu North Road Pukou District Nanjing City Jiangsu Province PRC	Chinese

For further information regarding our Directors, supervisor and senior management, see the section headed "Directors, Supervisor and Senior Management" in this prospectus.

PARTIES INVOLVED IN THE GLOBAL OFFERING

Sole Sponsor and Sole Sponsor-Overall Coordinator	**Huatai Financial Holdings (Hong Kong) Limited** 62/F, The Center 99 Queen's Road Central Hong Kong
Overall Coordinators	**Huatai Financial Holdings (Hong Kong) Limited** 62/F, The Center 99 Queen's Road Central Hong Kong **Huafu International Securities Limited** Units 2603-2606 26/F, Infinitus Plaza 199 Des Voeux Road Central, Sheung Wan Hong Kong **First Shanghai Securities Limited** 19/F, Wing On House 71 Des Voeux Road Central Hong Kong
Joint Global Coordinators	**Huatai Financial Holdings (Hong Kong) Limited** 62/F, The Center 99 Queen's Road Central Hong Kong **Huafu International Securities Limited** Units 2603-2606 26/F, Infinitus Plaza 199 Des Voeux Road Central, Sheung Wan Hong Kong **First Shanghai Securities Limited** 19/F, Wing On House 71 Des Voeux Road Central Hong Kong
Joint Bookrunners	**Huatai Financial Holdings (Hong Kong) Limited** 62/F, The Center 99 Queen's Road Central Hong Kong **Huafu International Securities Limited** Units 2603-2606 26/F, Infinitus Plaza 199 Des Voeux Road Central, Sheung Wan Hong Kong

First Shanghai Securities Limited
19/F, Wing On House
71 Des Voeux Road Central
Hong Kong

SDIC Securities (Hong Kong) Limited
39/F., One Exchange Square
Central
Hong Kong

China Galaxy International Securities (Hong Kong) Co., Limited
20/F Wing On Centre
111 Connaught Road Central
Hong Kong

CNCB (Hong Kong) Capital Limited
2001-2005, 20/F and
10/F AIA Central
1 Connaught Road Central, Central
Hong Kong

SPDB International Capital Limited
33/F, SPD Bank Tower
1 Hennessy Road
Hong Kong

CMBC Securities Company Limited
34/F., One Exchange Square
8 Connaught Place, Central
Hong Kong

Winbull Securities International (Hong Kong) Limited
Room 2201-3, 22/F, Jubilee Centre
18 Fenwick Street, Wan Chai
Hong Kong

Emperor Securities Limited
23/F-24/F, Emperor Group Centre
288 Hennessy Road, Wanchai
Hong Kong

Joint Lead Managers

Huatai Financial Holdings (Hong Kong) Limited
62/F, The Center
99 Queen's Road Central
Hong Kong

Huafu International Securities Limited
Units 2603-2606
26/F, Infinitus Plaza
199 Des Voeux Road Central, Sheung Wan
Hong Kong

	First Shanghai Securities Limited 19/F, Wing On House 71 Des Voeux Road Central Hong Kong
Capital Market Intermediaries	**Huatai Financial Holdings (Hong Kong) Limited** 62/F, The Center 99 Queen's Road Central Hong Kong
	Huafu International Securities Limited Units 2603-2606 26/F, Infinitus Plaza 199 Des Voeux Road Central, Sheung Wan Hong Kong
	First Shanghai Securities Limited 19/F, Wing On House 71 Des Voeux Road Central Hong Kong
	SDIC Securities (Hong Kong) Limited 39/F., One Exchange Square Central Hong Kong
	China Galaxy International Securities (Hong Kong) Co., Limited 20/F Wing On Centre 111 Connaught Road Central Hong Kong
	CNCB (Hong Kong) Capital Limited 2001-2005, 20/F and 10/F AIA Central 1 Connaught Road Central, Central Hong Kong
	SPDB International Capital Limited 33/F, SPD Bank Tower 1 Hennessy Road Hong Kong
	CMBC Securities Company Limited 34/F., One Exchange Square 8 Connaught Place, Central Hong Kong
	Winbull Securities International (Hong Kong) Limited Room 2201-3, 22/F, Jubilee Centre 18 Fenwick Street, Wan Chai Hong Kong

	Emperor Securities Limited 23/F-24/F, Emperor Group Centre 288 Hennessy Road, Wanchai Hong Kong
Legal advisors to our Company	*as to Hong Kong laws:* **Tian Yuan Law Firm LLP** Suites 3304-3309, 33/F Jardine House, One Connaught Place Central Hong Kong
	as to PRC laws: **Jiangsu C&T Partners Law Firm** 4/F, Block C, Jiangdao Intelligence Cube Xiankun Road Jianye District Nanjing City Jiangsu Province PRC
	as to PRC intellectual property laws: **AllBright Law Offices** 9/F, 11/F and 12/F, Shanghai Tower No. 501, Yincheng Middle Road Pudong New Area Shanghai PRC
	as to PRC litigation: **Jiangsu Junbo Law Firm** Room 331, 3/F, Concentric Makerspace No. 120, Xinpu Road Pukou District Nanjing PRC
	as to International Sanctions and Export Control laws: **Eversheds Sutherland** 37/F, One Taikoo Place Taikoo Place 979 King's Road Quarry Bay Hong Kong
Legal advisors to the Sole Sponsor and the Underwriters	*as to Hong Kong laws:* **Jingtian & Gongcheng LLP** Suites 3203-3209 32/F, Edinburgh Tower The Landmark 15 Queen's Road Central Hong Kong

	as to PRC laws: **AllBright Law Offices** 15/F, HKRI Center One, HKRI Taikoo Hui No. 288, Shimen Road (No. 1) Jing'an District Shanghai PRC
Auditor and Reporting Accountants	**Ernst & Young** *Certified Public Accountants and 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	**Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.** Suite 2504 Wheelock Square 1717 West Nanjing Road Jing'an District Shanghai PRC
Compliance Advisor	**Quam Capital Limited** 5/F and 24/F (Rooms 2401 and 2412) Wing On Center 111 Connaught Road Central Hong Kong
Receiving bank	**Bank of Communications (Hong Kong) Limited** Unit B B/F & G/F, Unit C G/F, 1-3/F, 16/F Room 01 & 18/F Wheelock House 20 Pedder Street Central Hong Kong

Headquarters and Principal Place of Business in the PRC	No. 8, Linchun Road Pukou Economic Development Zone Pukou District Nanjing City Jiangsu Province PRC
Principal Place of Business in Hong Kong	31/F, Tower Two, Times Square 1 Matheson Street Causeway Bay Hong Kong
Company's website	**www.jssisemi.cn** *(The information contained in the website does not form part of this prospectus)*
Joint company secretaries	**Ms. Fang Yaping (方亞萍)** Room 102, No. 66 Longxi Garden Shishan Road Jiangyin City Jiangsu Province PRC **Ms. Ye Jiahong (葉嘉紅)** *(ACG (HK & UK))* 31/F, Tower Two, Times Square 1 Matheson Street Causeway Bay Hong Kong
Authorized representatives	**Mr. Pan Mingdong (潘明東)** Room 101, Building 9-5 No. 5 Chengyuan Jiangyin City Jiangsu Province PRC **Ms. Ye Jiahong (葉嘉紅)** *(ACG (HK & UK))* 31/F, Tower Two, Times Square 1 Matheson Street Causeway Bay Hong Kong
Board committees	**Audit Committee** Ms. Jiao Jie (焦捷) *(Chairperson)* Dr. Wang Xiaomu (王肖沐) Mr. Li Quanxing (李全興) **Remuneration and Evaluation Committee** Dr. Wang Xiaomu (王肖沐) *(Chairperson)* Mr. Pan Mingdong (潘明東) Ms. Jiao Jie (焦捷)

	Nomination Committee Mr. Zhang Guodong (張國棟) *(Chairperson)* Ms. Jiao Jie (焦捷) Mr. Li Quanxing (李全興)
H Share Registrar	**Computershare Hong Kong Investor Services Limited** Shops 1712-1716, 17th Floor Hopewell Centre 183 Queen's Road East Wan Chai Hong Kong
Principal Bank	**China Construction Bank Corporation Limited Nanjing Pukou Branch** No. 8 Wende Road Pukou District Nanjing City Jiangsu Province PRC

The information and statistics set out in this section and other sections of this prospectus were extracted from the independent industry report prepared by Frost & Sullivan (the "Frost & Sullivan Report"), which was commissioned by us, and from various official government publications and other publicly available publications. We engaged Frost & Sullivan to prepare the Frost & Sullivan Report in connection with the Global Offering. We believe that the sources of the information in this section and other sections of this prospectus are appropriate sources for such information, and we have taken reasonable care in extracting and reproducing such information. The information from official government sources has not been independently verified by us, the Sole Sponsor, or any of their respective directors and advisers or any other persons or parties involved in the Global Offering, and no representation is given as to the accuracy of such information.

GLOBAL AND CHINA SEMICONDUCTOR MARKET OVERVIEW

Definition of Semiconductor

A semiconductor refers to a product that integrates multiple electronic components (such as transistors, resistors, capacitors, etc.) onto a single semiconductor material using miniaturization technology. It boasts advantages including small size, low power consumption, high reliability, and low cost, serving as the core foundation of modern electronic information technology.

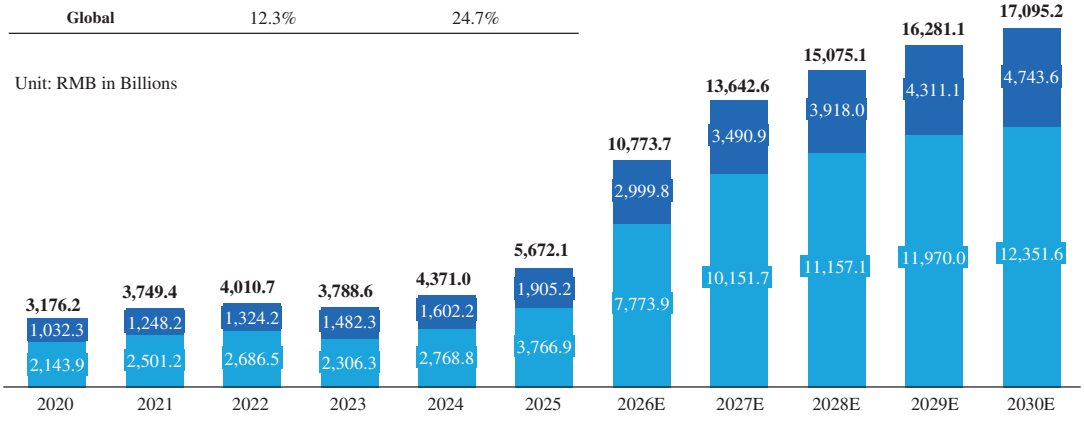
Global and China Semiconductor Market Size Analysis

The semiconductor market boasts immense scale and broad prospects. As the global economy evolves and technological innovation advances, semiconductors — recognized as the core of the information technology and electronics industries — are growing increasingly vital. The rapid development of emerging technologies such as AI, 5G, the Internet of Things (IoT), and automotive electronics has spurred robust demand for high-performance, low-power consumption chips, driving sustained growth in the semiconductor market.

The following chart sets forth the actual and estimated market size of the global and China semiconductor market, for the years indicated.

Global and China Semiconductor Market Size

CAGR	2020-2025	2025-2030E
PRC*	13.0%	20.0%
Rest of the World	11.9%	26.8%
Global	12.3%	24.7%



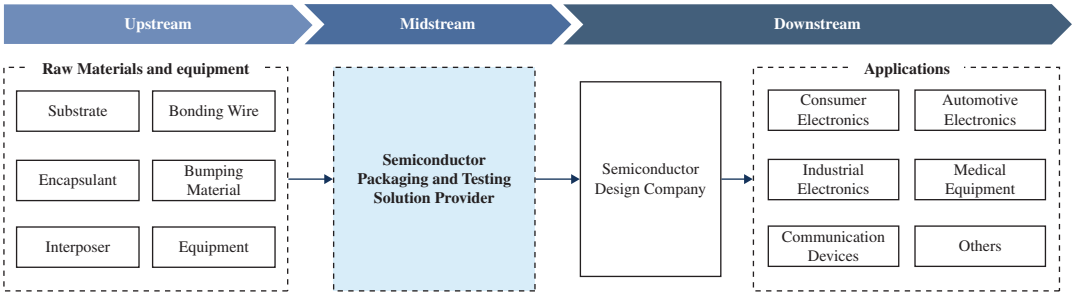
* PRC refers to Chinese Mainland

Source: WSTS, SIA, Frost & Sullivan

GLOBAL AND CHINA SEMICONDUCTOR PACKAGING AND TESTING MARKET

Introduction to Semiconductor Packaging & Testing Industry Chain

The semiconductor packaging and testing industry chain consists of several key segments. In the upstream, raw materials including substrates, bonding wires, encapsulants, bumping materials, interposer, and equipment serve as the foundational input. The midstream features semiconductor packaging and testing solution providers that leverage these upstream raw materials to offer specialized packaging and testing services. This requires them to possess profound expertise in complex packaging technologies, precision testing methodologies, and material science. These packaged and tested products then supply semiconductor design companies. The downstream encompasses a wide range of applications, such as consumer electronics, automotive electronics, industrial electronics, medical equipment, communication devices, and other fields.



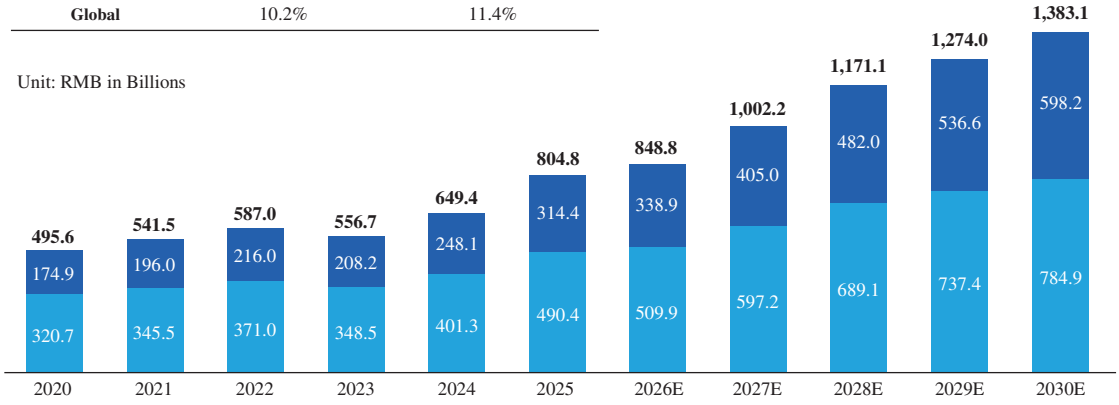
Source: Desk research, Frost & Sullivan

Global and China Semiconductor Packaging & Testing Market Size

Semiconductor packaging involves a series of processes that encapsulate manufactured bare dies or wafers into protective casings, providing physical protection, electrical interconnection, and thermal management so the semiconductors can function as independent devices in a wide range of electronic equipment; semiconductor testing uses specialized equipment to evaluate electrical performance, functional integrity, reliability, and environmental adaptability, enabling the screening of qualified products and the removal of defective ones. The global semiconductor market boasts enormous potential and vast space. Spurred by the vigorous development of fields like consumer electronics, automotive electronics, and industrial control, which boosted the demand for semiconductors. The following chart presents the actual and estimated market size of the global and China semiconductor packaging & testing market, for the years indicated.

Global and China Semiconductor Packaging & Testing Market Size

CAGR	2020-2025	2025-2030E
PRC*	12.4%	13.7%
Rest of the World	8.9%	9.9%
Global	10.2%	11.4%



* PRC refers to Chinese Mainland

Source: WSTS, SIA, Frost Sullivan

Market Drivers and Trends of Semiconductor Packaging and Testing Industry

- ***The Growth of Semiconductors Drives the Expansion of the Packaging & Testing Industry***

The demand for semiconductors has surged across multiple fields such as consumer electronics and automotive electronics. Technologies like 5G and AI have spurred the demand for high-performance chips, fueling the expansion of the semiconductor market. This provides a steady stream of orders for the packaging and testing industry, whose market scale has grown steadily in tandem with the semiconductor sector and is expected to maintain a high growth rate in the future.

- ***Bottlenecks in Process Miniaturization Drive the Development of Advanced Packaging***

As chip process nodes shrink to 7nm, 5nm, and beyond, they face physical and cost challenges — making advanced packaging a key breakthrough. Advanced packaging technologies enhance chip performance and integration while reducing costs through innovative interconnection and integration solutions, thereby driving technological innovation and value enhancement in the packaging and testing industry.

- ***OSATs Strengthen Collaboration with Upstream and Downstream Sectors***

With the refinement of industrial division of labor, OSATs (Outsourced Semiconductor Assembly and Testing companies) have deepened collaboration with upstream and downstream partners. They jointly optimize designs with Fabless companies to provide customized solutions for downstream clients, and work with Foundries to ensure smooth workflow. These efforts collectively promote the development of packaging industry, improve packaging efficiency and quality, and enhance the overall competitiveness of the industrial chain.

OVERVIEW OF GLOBAL ADVANCED PACKAGING & TESTING MARKET

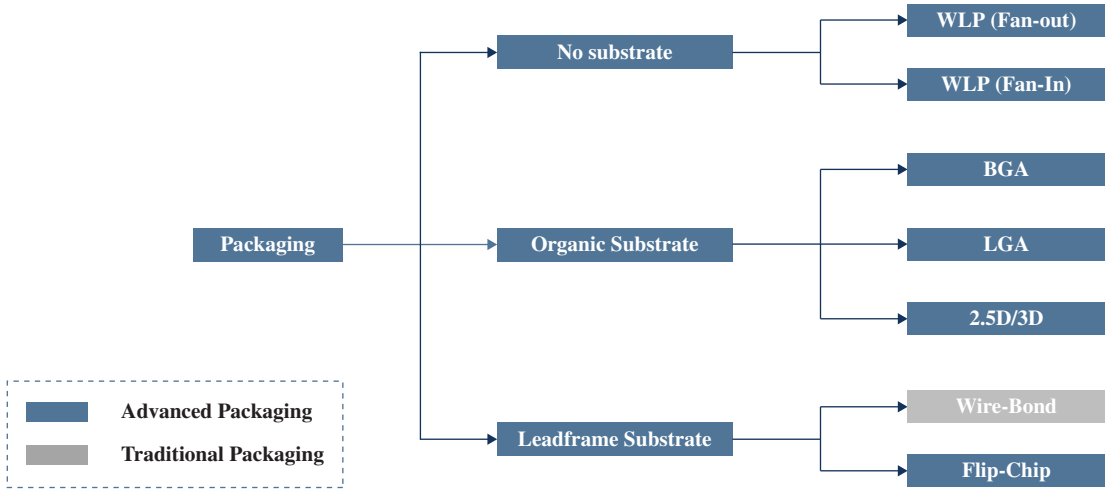
Definition of Advanced Packaging

According to Frost & Sullivan, advanced packaging and traditional packaging are both established industry terms used to distinguish semiconductor packaging technologies by their structural characteristics and process complexity, and the Group's advanced packaging portfolio comprises BGA, LGA, WLP, 2.5D/3D, as well as FC-QFN and FC-SOT, while its traditional packaging offerings include WB-QFN. Advanced packaging refers to a packaging solution with process complexity, achieved through the application of innovative structural design, interconnection technology, materials, and equipment. It helps realize higher integration, better performance, smaller size, lower power consumption, and higher reliability of semiconductor. It is not only a key post-process in semiconductor manufacturing but also a core technical path to continue the improvement of semiconductor performance and meet the complex application demands of downstream industries against the background of the slowing down of Moore's Law.

According to Frost & Sullivan, advanced packaging technologies are distinguished from traditional packaging technologies primarily by reference to interconnection architecture, manufacturing process complexity, electrical and thermal performance, and target end applications in that: (a) advanced packaging technologies primarily adopt flip-chip, bumping, wafer-level redistribution, and 2.5D/3D die stacking, enabling high I/O density, short signal paths and superior performance for high-end semiconductors; and (b) traditional packaging relies mainly on wire bonding as the core interconnection method. For instance, FC-QFN is classified as advanced packaging because it uses flip-chip interconnection, while WB-QFN is traditional packaging given its wire bond interconnect.

Classification of Semiconductor Advanced Packaging

Due to the differences in electrical performance, size, application scenarios and other factors of different semiconductor products, the packaging forms are diverse and complex. According to whether there are a packaging substrate and the material of the packaging substrate, semiconductor packaging products can be divided into different categories. Among them, there are different packaging technologies in each category. The following presents the classification of typical packaging technologies.



Source: Guidance Catalog for Industrial Structure Adjustment (2024 Edition), Frost & Sullivan

The Group's Advanced Packaging portfolio comprises BGA, LGA, WLP, 2.5D/3D, as well as FC-QFN and FC-SOT, while its Traditional Packaging offerings include WB-QFN.

During the Track Record Period, revenue from Advanced Packaging amounted to RMB346.9 million, RMB587.2 million and RMB737.4 million in 2023, 2024 and 2025, respectively, while revenue from Traditional Packaging amounted to RMB161.5 million, RMB236.5 million and RMB271.2 million, respectively.

From an industry perspective, lifecycle stage and market maturity are assessed by the breadth of commercial adoption, process standardization and extent of volume production. WB-QFN, BGA and LGA are mature and established technologies in both the global and PRC markets. WB-QFN remains a mainstream rather than obsolete or legacy technology, while advanced BGA and LGA variants continue to evolve. WLP is established and growing in both markets: fan-in WLP and WLCSP are mature, while fan-out and higher-density variants remain growth technologies. FC-QFN is commercially established and growth-stage globally; in the PRC, FC-QFN is in the growth stage. 2.5D/3D is in the commercial growth stage globally and the early growth stage in the PRC, where large-scale commercial capacity remains relatively limited.

Traditional packaging primarily provides chip protection, size enlargement, and electrical connection by linking the die to external circuits through methods such as wire bonding, while also offering mechanical protection and heat dissipation; advanced packaging builds on these core functions by further improving functional density, shortening interconnection lengths, and enabling system-level reconstruction, thereby increasing product integration and functional diversification without relying on breakthroughs in chip manufacturing processes.

Comparison Between Advanced Packaging and Traditional Packaging

Packaging Type	Traditional Packaging	Advanced Packaging	
Technology Type	Leadframe wire-bond	BGA	2.5D/3D
System Memory Bandwidth	Low	Medium	High
Chip Power Ratio	Low	Medium	High
Chip Size	Large	Small	Small
Heat Dissipation Efficiency	Low	High	High
Packaging Cost	Low	Medium	High
Performance	Low	Medium	High
Packaging Form	With lead frames as the carrier, chip and external pins are connected unidirectionally through wire bonding. The package size is much larger than the chip, and the number of pins is small and distributed sparsely.	By means of Redistribution Layer (RDL), interposer or vertical stacking structure, technologies such as flip-chip bonding and Through-Silicon Via (TSV) are adopted to realize high-density interconnection of multiple chips. The package size is close to the chip, and the integration degree and performance are greatly improved.	
Global Demand Growth Rate	2020-2025: 7.7% 2025-2030E: 7.8%	2020-2025: 13.1% 2025-2030E: 14.8%	

Source: WSTS, Public Information, Frost & Sullivan

There is a significant difference in unit price between traditional packaging and advanced packaging. Based on industry experience and taking into account package type, integration complexity and service scope, traditional packaging is typically priced at approximately RMB0.03 to RMB10.0 per chip, while advanced packaging generally ranges from approximately RMB0.1 to several hundred RMB per chip. For high-end 2.5D/3D packaging, Chiplet packaging and AI/HBM-related packages, the unit value may further increase to several hundred or over RMB1,000 per chip, and certain high-performance computing packages may even reach several thousand RMB per chip. Therefore, the price ranges of traditional and advanced packaging may overlap at the lower end and expand significantly at the higher end. The two should not be compared mechanically based solely on unit price, but should be assessed comprehensively with reference to package type, process complexity, integration level, testing requirements and system-level value.

Global and China Semiconductor Advanced Packaging & Testing Market Size

Driven by the demand for high-integration and low-power consumption chips in the fields of communications, consumer electronics, high-performance computing, and artificial intelligence, the market scale of the advanced semiconductor packaging and testing industry — backed by technologies such as flip-chip bonding, wafer-level packaging, and 2.5D/3D packaging — has achieved rapid growth, emerging as one of the segments with leading growth rates in the semiconductor industry chain.

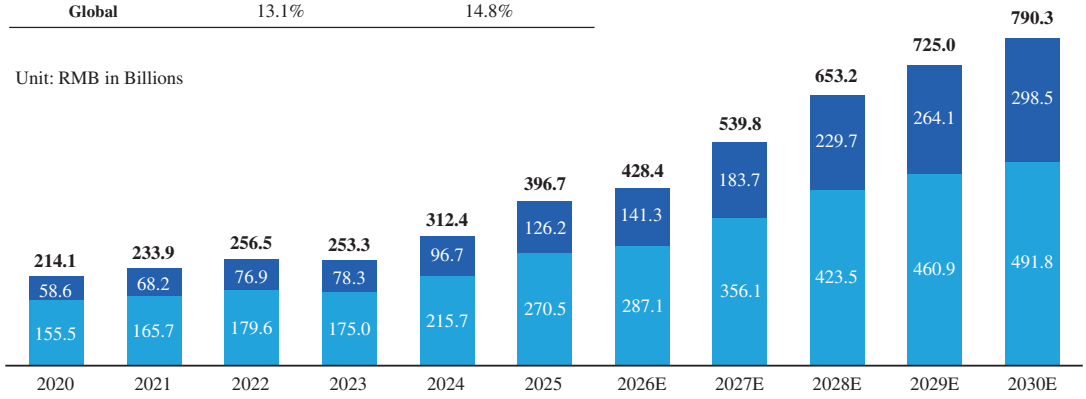
Over the next five years, as Moore's Law slows down, advanced packaging and testing — serving as a core path to enhance chip performance — will further benefit from the popularization of autonomous driving, data centers, high-performance computers, and smart wearable devices, as well as the maturity of cutting-edge packaging and testing technologies. It will maintain a robust growth momentum, with its market scale expected to expand steadily. In contrast to traditional packaging, which features relatively low added value and a saturated market, advanced packaging boasts high technical barriers and supply scarcity. Its unit price and demand growth rate are significantly higher, enabling its market scale to outperform the overall packaging and testing industry in terms of growth rate over the long term.

The PRC market has delivered outstanding performance. Although the PRC still lags behind some overseas markets in advanced packaging and testing technologies, Chinese enterprises have made aggressive investments in advanced packaging and testing technologies and production capacity scale to meet the rapidly growing downstream demand.

The following chart sets forth the actual and estimated market size of the global and China semiconductor advanced packaging & testing market, for the years indicated.

Global and China Semiconductor Advanced Packaging & Testing Market Size

CAGR	2020-2025	2025-2030E
PRC*	16.6%	18.8%
Rest of the World	11.7%	12.7%
Global	13.1%	14.8%



* PRC refers to Chinese Mainland

Source: WSTS, SIA, Frost & Sullivan

Market Drivers and Trends of Semiconductor Advanced Packaging and Testing Industry

Multi-sector demand fuels advanced packaging and testing market. The semiconductor advanced packaging and testing market is largely driven by its diverse applications across sectors like high-performance memory, data centers, automotive, and consumer electronics. Technologies like 3D NAND and HBM address AI and data volume demands, while data centers leverage Chiplet heterogeneous integration for better computing power and energy efficiency. Automotive and consumer electronics require compact, reliable, and efficient solutions, further fueling the adoption of advanced packaging. In the consumer electronics sector, global XR (Extended Reality) device shipments reached approximately 14.5 million units in 2025, representing a year-on-year increase of 44.4%. XR devices use application processors, memory chips, display driver ICs, sensor chips and connectivity chips for computing, image display, spatial sensing and wireless connectivity, while their compact form factors require high-density chip integration. In the automotive electronics sector, NEV sales in China reached approximately 16.5 million units in 2025, representing a year-on-year increase of 28.2%. Semiconductors are widely used in NEVs for battery management, power control, advanced driver-assistance systems and in-vehicle infotainment systems, with increasing vehicle electrification and intelligence also raising requirements for packaging performance and reliability.

Rising status of the packaging segment in the industrial chain. As semiconductor process technologies hit physical limits, advanced packaging's role in system-level integration and performance enhancement has become increasingly vital. It is no longer just about chip protection or connection, but a key strategy for companies to boost competitiveness and meet emerging semiconductor needs.

Advanced packaging technologies moving toward high performance and miniaturization. The demand for smaller and higher-performing devices has pushed advanced packaging toward miniaturization and enhanced performance. 2.5D/3D packaging and wafer-level packaging (WLP) are critical for supporting AI, data centers, and consumer electronics with improved integration, speed, and reduced size, overcoming technical bottlenecks.

Accelerating localization in advanced packaging and testing. The localization trend in advanced packaging and testing is accelerating, driven by changing trade environments and the push for independent semiconductor development, particularly in China. Domestic manufacturers are making strides in localized production, and as R&D and investment grow, this trend is expected to intensify, further reducing dependence on foreign technologies.

Supportive government policies. The "*Opinions on Deepening the Implementation of the Artificial Intelligence Plus Action*" target an application penetration rate of over 70% for new-generation intelligent terminals and intelligent agents by 2027. The expansion of AI applications is expected to increase demand for high-performance semiconductors and advanced packaging and testing. Other policies, including the "*Several Policies for Promoting the High-quality Development of the Integrated Circuit and Software Industries in the New Era*" and the relevant 2025 notice, provide tax and other support to eligible integrated circuit enterprises, including advanced packaging and testing enterprises, thereby supporting industry development and creating market opportunities for the Group.

COMPETITIVE LANDSCAPE OF SEMICONDUCTOR ADVANCED PACKAGING AND TESTING MARKET

Ranking of Semiconductor Advanced Packaging and Testing

There are a large number of participants in PRC's semiconductor packaging and testing market, with approximately 150 to 200 OSATs. Most of these OSATs are mainly engaged in traditional packaging and testing businesses. They generally have small overall revenue scales, and the proportion of revenue from advanced packaging and testing in their total revenue is relatively low.

In addition, affected by the wide variety of semiconductor products, two types of OSATs have been formed in the market, which are General-Purpose OSATs and Application-Specific OSATs. General-Purpose OSATs provide advanced packaging and testing services for a broad range of chips deployed across diverse industries, with flexible technical capabilities to accommodate varied customer requirements. In contrast, Application-Specific OSATs provide advanced packaging and testing services focused on chips built for specific applications, where their technologies and processes are engineered to satisfy the unique specifications of such specialized markets. In 2025, in terms of the revenue of advanced packaging and testing, General-Purpose OSATs accounted for approximately 85-90% of the market share in the PRC market, while Application-Specific OSATs represented roughly 10-15% of the market share. The gross margins of OSATs depend on product and technology mix, pricing, capacity utilization and depreciation, rather than OSAT classification alone. In terms of the total revenue of semiconductor packaging and testing, our company ranked 7th in PRC's General-Purpose OSAT companies.

The Group's Advanced Packaging portfolio comprises BGA, LGA, WLP, 2.5D/3D, as well as FC-QFN and FC-SOT, while its Traditional Packaging offerings include WB-QFN.

During the Track Record Period, revenue from Advanced Packaging amounted to RMB346.9 million, RMB587.2 million and RMB737.4 million in 2023, 2024 and 2025, respectively, while revenue from Traditional Packaging amounted to RMB161.5 million, RMB236.5 million and RMB271.2 million, respectively. In terms of the revenue of semiconductor advanced packaging and testing in 2025, our Company ranked 7th among general-purpose semiconductor OSAT companies in PRC, with a market share of 0.6%.

Ranking of China's General-Purpose OSAT Companies, by Revenue of Semiconductor Advanced Packaging and Testing in 2025

Ranking	Company	Revenue in billion RMB	Market Share
1	Company A	28.3	22.4%
2	Company B	19.6	15.5%
3	Company C	11.7	9.3%
4	Company D	8.7	6.9%
5	Company E	6.7	5.3%
6	Company F	2.7	2.1%
7	The Company	0.7	0.6%
8	Company G	0.3	0.2%
9	Company H	0.2	0.2%
10	Company I	0.1	0.1%

Source: Annual Report, Expert Interview, Frost & Sullivan

Notes:

(1) Company A is a public company founded in 1972 and is listed on Shanghai Stock Exchange. It provides semiconductor chip manufacturing services with a focus on packaging, assembly and test solutions for automotive, high-performance computing, memory and consumer applications.

(2) Company B is a public company founded in 1997 and is listed on Shenzhen Stock Exchange. It is an OSAT company that focuses on advanced packaging solutions for high-performance computing, automotive, memory and other applications.

(3) Company C is a public company founded in 2003 and is listed on Shenzhen Stock Exchange. It provides packaging and testing services for consumer, industrial, and automotive semiconductor products.

(4) Company D is a private company founded in 2017 and is headquartered in Beijing. It provides packaging and testing services across discrete, analog, RF and other chip segments.

(5) Company E is a public company founded in 2014 and is listed on Shanghai Stock Exchange. It specializes in wafer-level advanced packaging, multi-die chiplet integration, and related services for semiconductor products.

(6) Company F is a public company founded in 2017 and is listed on Shanghai Stock Exchange. It provides packaging and test services with emphasis on advanced packaging technologies.

(7) Company G is a public company founded in 2006 and is listed on Shanghai Stock Exchange. It is an advanced-packaging service provider.

(8) Company H is a public company founded in 2014 and is listed on the National Equities Exchange and Quotations. It provides packaging and testing services for integrated circuits.

(9) Company I is a public company founded in 1998 and is listed on the Shenzhen Stock Exchange. It provides packaging and testing services for discrete semiconductor devices and integrated circuits.

In terms of the revenue of semiconductor traditional packaging and testing in 2025, our Company ranked 8th among general-purpose semiconductor OSAT companies in PRC, with a market share of 0.1%.

Ranking of China's General-Purpose OSAT Companies, by Revenue of Semiconductor Traditional Packaging and Testing in 2025

Ranking	Company	Revenue in billion RMB	Market Share
1	Company A	10.45	5.6%
2	Company D	7.76	4.1%
3	Company B	7.63	4.1%
4	Company C	5.51	2.9%
5	Company F	1.68	0.9%
6	Company H	0.58	0.3%
7	Company G	0.43	0.2%
8	The Company	0.27	0.1%
9	Company I	0.26	0.1%

The following chart illustrates the range of packaging technologies adopted by leading OSAT companies based on publicly available information. The company possesses core mass production capabilities in 2.5D, bumping, Fan-out WLP, Fan-in WLP, WB/FC-BGA, WB/FC/Hybrid/SiP-LGA, and FC-QFN technologies. In addition, it is actively promoting the R&D and industrialization of cutting-edge technologies such as Chiplet interconnection (homogeneous and heterogeneous chip integration), optoelectronic sensing, and TGV glass substrate products. The company is among the few domestic packaging service providers that have achieved comprehensive capabilities across all of the above technologies.

Packaging Technology		The Company	Company A	Company B	Company C	Company D	Company E	Company F	Company G
2.5D/3D	FOCT-R/S/L	√	√	√	√	×	√	√	×
	TGV	√	√	√	√	×	√	×	×
WLP	Fan-out WLP	√	√	√	√	√	√	√	×
	Fan-in-WLP	√	√	√	√	√	√	√	×
	BUMPING	√	√	√	√	√	√	√	×
BGA	WB/FC-BGA	√	√	√	√	√	√	√	√
	Hybrid-BGA	√	√	√	√	√	×	√	×
LGA	WB/FC-LGA	√	√	√	√	√	×	√	√
	Hybrid-LGA	√	√	√	√	√	×	√	√
FC-QFN		√	√	√	√	√	×	√	√

Source: Public Information, Frost & Sullivan

Note:

(1) "√" indicates disclosed coverage, while "×" indicates undisclosed coverage.

Entry Barriers of Semiconductor Advanced Packaging Industry

According to Frost & Sullivan, the PRC semiconductor packaging and testing market comprises approximately 150 to 200 OSATs, many of which primarily provide traditional packaging services. The barriers to establishing and sustaining advanced packaging operations principally relate to technological capabilities, capital investment and customer qualification. Their significance varies according to packaging technology, application and production scale.

- **Technology and Process Capabilities.** Advanced packaging requires the integration of equipment, materials and manufacturing processes to meet customers' performance and reliability requirements. Commercial production also requires consistent yields, effective quality control and failure analysis capabilities. Developing these capabilities involves experienced engineering teams, process development, trial production and accumulated manufacturing experience. Purchasing equipment alone does not establish the process capabilities required for reliable volume production.

- **Capital Investment and Production Scale.** OSATs require substantial investment in production premises, cleanrooms, packaging and testing equipment and supporting infrastructure, together with continuing expenditure on process development and equipment upgrades. The required investment varies by technology and capacity. Operators must also secure sufficient production volumes and utilisation to spread depreciation and other fixed costs, creating financial and operating challenges during production ramp-up.

- **Customer Qualification and Operating Track Record.** Customers generally assess suppliers' quality systems, technical capabilities, product yields and reliability through audits, sample validation and trial production. Successful qualification, consistent delivery and a demonstrated production record support the conversion of initial orders into recurring business. New entrants therefore require both technical readiness and the ability to demonstrate reliable production performance to customers.

The relatively short corporate histories of certain ranked participants do not imply low barriers to entry. Company D acquired existing packaging and testing operations with established capabilities and operating histories; Company E was established with support from established semiconductor manufacturers; and Company F's core technical team had prior industry experience. Company H had operated for approximately 11 years by 2025. Acquiring or developing these capabilities requires substantial funding, industry experience and access to skilled personnel, while customer qualification, a proven operating track record and reliable delivery remain important to securing recurring orders.

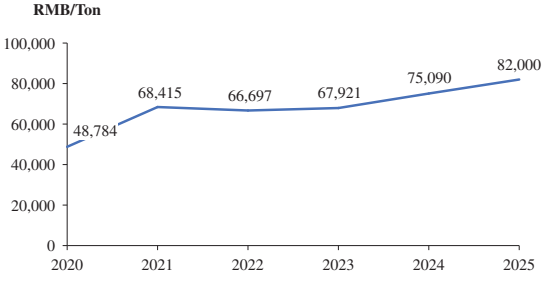
COST ANALYSIS

Semiconductor packaging and testing is generally materials-intensive. Materials typically account for more than 50% of cost of sales, while the remaining cost base primarily consists of labor, depreciation, factory overhead and testing-related expenses. In substrate-based packages such as FC-BGA, the IC substrate is often the largest single cost component and may account for approximately 50% of total packaging cost. Electrolytic copper and epoxy resin are two important upstream materials for IC substrates. Copper is mainly used in the form of electrolytic copper foil and plated copper structures for substrate wiring and interconnection, while epoxy-resin systems are widely applied in dielectric build-up films such as ABF and in resin systems for laminate materials. For ABF substrates, copper-linked inputs generally represent around 10% to 20% of substrate cost, while epoxy-resin-linked inputs generally represent around 25% to 35% of substrate cost.

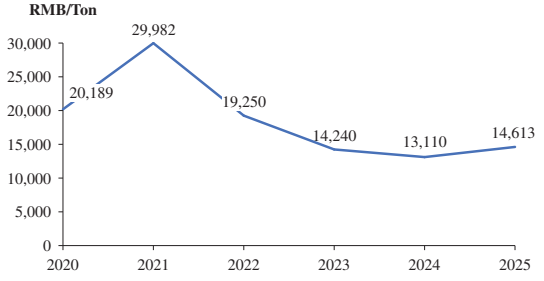
During 2020 to 2025, the average market price of electrolytic copper in China increased from RMB48,784 per ton to RMB82,000 per ton, representing a volatile but overall upward trend. The average market price further increased from RMB75,090 per ton in 2024 to RMB82,000 per ton in 2025, indicating continued cost pressure on copper-linked materials used in IC substrates. In contrast, the average market price of epoxy resin in China declined significantly after reaching RMB29,982 per ton in 2021, falling to RMB13,110 per ton in 2024, before increasing to RMB14,613 per ton in 2025. Despite the rebound in 2025, epoxy resin prices remained substantially lower than the 2021 peak.

The combined impact of these price movements on semiconductor packaging and testing companies depends on their product mix, material consumption structure, procurement arrangements and cost pass-through ability. For companies with greater exposure to substrate-based packaging, higher copper prices may increase pressure on copper foil, plating and interconnect-related costs. At the same time, the lower level of epoxy resin prices compared with the 2021 peak may partly alleviate the cost burden of resin-linked substrate materials. As a result, while copper price increases may place upward pressure on the cost of high-density IC substrates, the correction in epoxy resin prices provides some offsetting support for cost control.

Average Market Price of Electrolytic Copper, China, 2020-2025



Average Market Price of Epoxy Resin, China, 2020-2025



Source: Choice, Oilchem, Frost & Sullivan

SOURCES OF INFORMATION AND RESEARCH METHODOLOGY

We engaged Frost & Sullivan for preparing an independent industry report in respect of the Global Offering. The information from Frost & Sullivan disclosed in the prospectus is extracted from the Frost & Sullivan Report, a report commissioned by us for a fee of RMB400,000, and is disclosed with the consent of Frost & Sullivan. The Frost & Sullivan Report has been prepared by Frost & Sullivan independently without any influence from us or other interested parties. Frost & Sullivan is an independent global consulting firm founded in 1961 in New York, Its services include, among others, industry consulting, market strategic consulting and corporate training. Frost & Sullivan conducted (i) primary research, which involved discussing the status of the industry with certain leading industry participants, and interviews with industry experts on a best-effort basis to collect information in aiding in-depth analysis; and (ii) secondary research, which involved reviewing government statistics, industry association publication, company reports, independent research reports and data based on its own research database. Our Directors confirm that, to the best of their knowledge, after making reasonable inquiries, there is no material and adverse change in the market information since the date of the Frost & Sullivan Report which may qualify, contradict or have an impact on the information in this section.

This section sets forth a summary of the most significant PRC laws, rules and regulations that affect our current business activities in the PRC.

1. REGULATIONS IN RELATION TO FOREIGN INVESTMENT

The establishment, operation and management of companies in PRC are governed by the PRC Company Law (《中華人民共和國公司法》) (the "**Company Law**"), which was promulgated by the Standing Committee of the National People's Congress (全國人民代表大會常務委員會) (the "**SCNPC**") on December 29, 1993, last revised on December 29, 2023 and came into effect on July 1, 1994, and is applicable to all companies established in the PRC (including foreign-invested companies), except otherwise set out in any other regulations.), except where foreign-investment related laws provide otherwise. Under the Company Law, companies established in the PRC shall be in the forms of limited liability companies and companies limited by shares.

The Foreign Investment Law of the People's Republic of China (《中華人民共和國外商投資法》) (the "**Foreign Investment Law**"), which was promulgated by the National People's Congress (全國人民代表大會) (the "**NPC**") on March 15, 2019, established the basic regulatory framework for foreign investments. The Law provides that (1) natural persons, enterprises or other organizations of foreign countries (hereinafter referred to as "**foreign investors**") shall not invest in any field forbidden by the negative list for access of foreign investment (hereinafter referred to as the "**negative list**"); (2) for any field restricted by the negative list for access of foreign investment, foreign investors shall conform to the investment conditions provided in the negative list; (3) fields not included in the negative list for access of foreign investment shall be managed under the principle that domestic investment and foreign investment shall be treated uniformly. The Law and the implementing regulations also established a system to promote, protect and regulate foreign investment. It also introduced the foreign investment information reporting system, by which foreign investors or foreign-funded enterprises shall report investment information to commerce departments through the enterprise registration system and the National Enterprise Credit Information Publicity System.

According to the Implementation Regulations on the Foreign Investment Law of the PRC (《中華人民共和國外商投資法實施條例》) (the "**Implementation Regulations**"), which was promulgated on December 26, 2019 and came into effect on January 1, 2020, it was further provided that the state shall develop a catalog of industries for encouraging foreign investment to specify industries, fields and regions where foreign investors are encouraged and directed to invest as needed for national economic and social development.

According to the Special Management Measures for the Market Entry of Foreign Investment (Negative List) (2024 Version), which was promulgated on September 6, 2024 and came effective on November 1, 2024, the negative list shall be effective and supersede the previous negative list. Pursuant to the Foreign Investment Law, the Implementation Regulations and the negative list, foreign investors shall not invest in any field forbidden by the negative list for access of foreign investment; for any field restricted by the negative list, foreign investors shall conform to the investment conditions provided in the negative list. Industries not listed in the Negative List are generally deemed "permitted" for foreign investments. Pursuant to these list and catalog, the industry where the Company operates and foreign investments to be made does not fall within the restricted or prohibited catalog.

According to the Measures for the Security Review of Foreign Investment (外商投資安全審查辦法) promulgated on December 19, 2020 and became effective on January 18, 2021, any foreign investment that has or possibly has an impact on state security shall be subject to security review in accordance with the provisions hereof. Foreign investors or the relevant parties in China shall proactively report any foreign investment within the following scope to the Office of the Working Mechanism before making the investment: (1) Investment in the arms industry, an ancillary to the arms industry or any other field related to national defense security and investment in an area surrounding a military installation or an arms industry facility; (2) Investment in important

agricultural products, important energy and resources, critical equipment manufacturing, important infrastructure, important transportation services, important cultural products and services, important information technology and Internet products and services, important financial services, key technology or any other important field related to national security, resulting in the foreign investor's acquisition of actual control of the enterprise invested in.

According to the Catalog of Industries for Encouraging Foreign Investment (2022 Version) (the "**Catalog**") issued by the National Development and Reform Commission (the "**NDRC**") and the Ministry of Commerce (the "**MOC**") on October 26, 2022 and became effective on January 1, 2023, the state shall encourage and direct foreign investors to invest in particular industries, fields and regions as needed for national economic and social development. The advanced packaging & testing business that the Company has been engaged in falls with the scope of industries for encouraging foreign investment.

2. LAWS, REGULATIONS AND POLICIES RELATING TO INTEGRATED CIRCUIT INDUSTRY

The key regulator of the industry where the Company operates is the Ministry of Industry and Information Technology of the People's Republic of China (the "**MIIT**"). It is mainly responsible for developing strategics, planning and industrial policies for industrial development, formulating technical standards for guiding the industry in technical innovation and advancement, and organization and implementation of national key scientific and technological programs in achieving industrialization of scientific and research findings.

The Outline for Advancing the National Integrated Circuit Industry, which was issued by the State Council on June 24, 2014, called for efforts to strengthen the development of packaging and testing business, and vigorously promote merge and restructuring of domestic packaging and testing companies in enhancing industrial consolidation. It also called for efforts to cater needs for evolvement and upgrading of the design and manufacturing process relating to integrated circuits through development and industrialization of advanced packaging and testing technologies such as Chip Scale Package (CSP), Wafer Level Packaging (WLP), Through-Silicon Via (TSV) and three-dimensional packaging.

The Made in China 2025 issued by the State Council on May 8, 2015 identified integrated circuits and specialized equipment as the key fields of "next-generation of new generation information technology" in enhancing application and compatibility of chips made in China. With high-density packaging and three-dimensional (3D) microelectronic packaging technologies, the capability of independent development in the field of packaging and testing industry shall be enhanced and the capability of supplying key manufacturing equipment shall be developed.

The Several Policies for Promoting the High-Quality Development of the Integrated Circuit Industry and the Software Industry in the New Era issued by the State Council on July 7, 2020 encourages the development of advanced packaging and testing enterprise with policy support in the areas of finance and tax, investment and financing, R&D, exports and imports, talents and intellectual property.

According to the Notice Concerning Corporate Income Policies Related to Promotion of High Quality Development in Integrated Circuit Industry and Software Industry jointly issued by the MOF, the General Administration of Taxation, NDRC and the MIIT on December 11, 2020, key IC design enterprises and software enterprises encouraged by the state shall, from the profit-making year, be exempted from enterprise income tax from the first to the fifth year, and pay enterprise income tax at the reduced tax rate of 10% for consecutive years.

According to the Outline of the 14th Five-Year Plan (2021-2025) for National Economic and Social Development and Vision 2035 of the People's Republic of China adopted by the NPC on March 11, 2021, the State will foster advanced manufacturing clusters and promote the innovation and development of industries such as integrated circuits, aerospace equipment, high-tech ships and ocean engineering equipment, robots, advanced railway equipment, advanced power equipment, engineering machinery, high-end CNC machine tools, medicine and medical equipment.

According to the Notice by the State Council of Issuing the Plan for Development of the Digital Economy During the "14th Five-Year" Period promulgated by the State Council on December 12, 2021, innovation capability for key technologies needs to be strengthened during the "14th Five-Year" Period, with a focus on strategic and forward-looking fields including sensors, quantum information, internet communication, integrated circuit, critical software, big data, AI, blockchain and new materials. By giving full play to the institutional advantage of Chinese socialism, strengths of the new system for mobilizing resources nationwide and the strength of a mega market, the basic R&D capability for digital technologies will be strengthened. By shoring up weak links in key technologies, pursuing optimization and innovation of various ways of organization including open bidding for selecting the best candidates, with a focus on breakthrough in core technologies in key fields including high-end chips, operating system, industrial software and core algorithm and framework, the integrated R&D of key technologies such as general-purpose processing units, cloud computing system and software will be strengthened. In addition, the competitiveness of key links in the industrial chain will be enhanced by improving key industrial supply chain systems including 5G, integrated circuit, new energy vehicles, AI and industrial internet.

According to the Catalog for Guiding Industry Restructuring (2024 Version) issued by the NDRC on December 27, 2023, the encouragement category includes any one of the advanced packaging and testing technologies such as integrated circuit, design of integrated circuit, manufacturing of logic circuits and memorizers with IC line width of 65 nanometers or less, and IC manufacturing with peculiar technology and line width of 0.25 microns or less (including manufacturers of masks and silicon wafers of 8 inches and above), compound IC manufacturing with IC line width of 0.5 microns or less, as well as Ball Grid Array (BGA), Pin Grid Array (PGA), Chip Scale Packaging (CSP), Multi-Chip Module (MCM), Land grid array (LGA), System In Package (SIP), Flipchip (FC), Wafer-level packaging (WLP), Sensor Packaging (MEMS), 2.5D and 3D, or a combination of them, or manufacturing of equipment and key components for integrated circuit.

3. REGULATIONS RELATING TO IMPORT AND EXPORT OF GOODS

According to the Foreign Trade Law of the People's Republic of China that was last amended and the Regulation of the People's Republic of China on the Administration of the Import and Export of Goods that was last amended on March 10, 2024, the State Council allows the free importation and exportation of goods and maintains the fairness and orderliness of the import and export of goods, unless it is clearly provided in laws or administrative regulations to forbid or restrict the import or export of goods.

According to the Provisions on the Recordation of Customs Declaration Entities of the People's Republic of China promulgated by the General Administration of Customs of the People's Republic of China (the "**General Administration of Customs**") on November 19, 2021 and became effective on January 1, 2022, the consignee or consignor of imported or exported goods or a customs declaration enterprise shall only be required to apply for recordation with the customs and registration with the General Administration of Customs shall not be required. The recordation information shall be published through the Credit Publicity Platform of Import and Export Business of Customs of the People's Republic of China".

According to the Customs Law of the People's Republic of China as amended by the SCNPC on April 29, 2021, the Customs shall be the state organ responsible for supervision and control over everything entering and leaving the customs territory ("**entering or leaving the territory**"). The Customs shall, in accordance with the law, exercise supervision and control over the means of transport, goods, travelers' luggage, postal items and other articles entering or leaving the territory, collect customs duties and other taxes and fees, uncover and suppress smuggling, work out customs statistics and handle other customs operations.

According to the Foreign Trade Law of the People's Republic of China as last amended on December 30, 2022, the requirement that the foreign trade operators engaged in import and export of goods or technologies shall process the filing and registration with the foreign trade authority under the State Council or its entrusted agencies was abolished.

According to the requirements by the Notice on Matters Related to the Filing of the Consignees and Consignors of Import and Export Goods that became effective on January 3, 2023 and the Provisions on the Recordation of Customs Declaration Entities that became effective on January 1, 2022, where the consignee or consignor of imported or exported goods applies for recordation, it shall obtain the qualification of market entities, and shall not be required to be filed as a foreign trade business.

4. REGULATIONS RELATING TO PRODUCT QUALITY AND PROTECTION OF CONSUMER RIGHTS AND INTERESTS

The Product Quality Law of the People's Republic of China that became effective on September 1, 1993 and lastly amended on December 29, 2018 provides that the products sold shall conform to safety standards. The producers shall not adulterate their products or posing fake ones as genuine, inferior ones as superior or sub-standard ones as standard. Any violation may lead to damages or administrative penalty in a civil case, or criminal liability when the circumstance is serious.

The Law of the People's Republic of China on Protection of Consumer Rights and Interests that became effective on January 1, 1994, last amended on October 25, 2013 and became effective on March 15, 2014 provides that the business operators shall guarantee that the commodities and services they supply meet the requirements for personal or property safety. As to commodities and services liable to harm personal or property safety, business operators shall give the consumers truthful explanation and clear out warnings, and shall explain or indicate the correct ways of using the commodities or receiving services as well as the methods of preventing damage. Business operators shall, upon discovery of defects, adopt measures such as cessation of sale, issuance of a warning, recall, harmless treatment, destruction, and cessation of production or service. Any violation may lead to penalties including fines and suspension of license, or prosecution for criminal liability in accordance with law if a crime is constituted.

5. REGULATIONS RELATING TO PRODUCTION SAFETY

According to the Production Safety Law of the People's Republic of China that was last amended on June 10, 2021 and became effective on September 1, 2021, the system of affixing responsibilities to production safety accidents is implemented in the State. Enterprises shall establish and perfect the system of responsibility relating to production safety, provide labor protection articles and hold trainings in production safety. Any violation may lead to liability in accordance with the law.

6. REGULATIONS RELATING TO LAND, PLANNING AND CONSTRUCTION PERMITS

Right of land use:

According to regulations including the Land Administration Law of the People's Republic of China and the Interim Regulation on Real Estate Registration, the land owned by the State may be allocated or assigned in accordance with the law. To be effective, changes in real estate rights shall be registered.

Construction land planning permit:

According to the Urban and Rural Planning Law of the People's Republic of China, the entity that has obtained the right of land use over the land owned by the State shall obtain this permit, and failure to so will lead to cancelation of the approval document and surrender of the land.

Construction project planning permit:

For construction within a city planning area, the construction entity shall apply for this permit. Any construction without such permit may lead to penalties including fines or demolition.

Construction permit:

According to the Construction Law of the People's Republic of China and the Regulation on the Quality Management of Construction Projects, a construction permit shall be obtained before commencement of the construction project. Construction without such permit may lead to suspension of works and fines.

Filing of as-built inspection:

The project shall pass the as-built inspection and go through filing formalities upon completion. Projects illegally delivered for use without inspection or failing to pass the inspection shall be subject to fine and compensation for loss incurred.

7. REGULATIONS RELATING TO ENVIRONMENTAL PROTECTION

Pursuant to the PRC Environmental Protection Law, last amended on April 24, 2014 and implemented on January 1, 2015, the PRC Law on Environment Impact Assessment, last amended on December 29, 2018, and the Regulations on the Administration of Construction Project Environmental Protection, which was last amended on July 16, 2017 and became effective on October 1, 2017, classification-based management shall be applied to environment impact assessment of construction projects according to their degree of impact on the environment. The construction entity concerned shall prepare the Environmental Impact Report or Environmental Impact Statement or fill out the Environmental Impact Registration Form according to relevant requirements. If the environmental impact evaluation document of the construction project fails to be examined by the examination and approval department in accordance with the law or is not approved after examination, the construction unit may not start construction.

Pursuant the Administrative Measures for Pollutant Discharge Licensing, which was promulgated on April 1, 2024 and implemented on July 1, 2024, the Regulations on the Administration of Pollutant Discharge Permits, which was promulgated on January 24, 2021, and the Catalog of Classified Management of Pollutant Discharge Permits for Stationary Pollution Sources (2019 Version), which was promulgated on December 20, 2019, key management, simplified management and registration management of pollutant discharge permits are implemented based on factors such as the amount of pollutants generated, the amount of pollutants discharged and the degree of impact on the environment. The pollutant discharging entity subject to registration management does not need to apply for the pollutant discharge permit.

8. REGULATIONS RELATING TO HAZARDOUS CHEMICALS

The Regulations on the Safety Management of Hazardous Chemicals, the Regulations on the Management of Poisonous Chemicals, the Measures for the Public Security Management for Explosives and other regulations implement a licensing system for the production, storage, operation and transportation of hazardous chemicals. Enterprises shall obtain relevant permits and file the flow information.

9. REGULATIONS RELATING TO ENERGY CONSERVATION

Pursuant to the Energy Conservation Law of the PRC and the Measures for Energy Conservation Review and Carbon Emission Assessment of Fixed-Asset Investment Projects, the State shall implement an energy conservation assessment and review system. Projects which do not pass the energy conservation review shall not commence construction or be put into use.

10. REGULATIONS RELATING TO FIRE SAFETY

According to the Fire Protection Law of the PRC, application for fire assessment inspection and acceptance or filing shall be submitted upon completion of constructions projects. Projects which have not passed the inspection or have failed random checks shall not be put into use.

11. REGULATIONS RELATING TO DATA SECURITY, CYBERSECURITY AND INFORMATION SECURITY

There are the Cybersecurity Law of the PRC, the Data Security Law of the PRC, the Cybersecurity Review Measures, the Regulation on Network Data Security Management, the Personal Information Protection Law of the PRC, the Measures for the Security Assessment of Cross-border Data Transfer, the Administrative Measures for Data Security in the Field of Industry and Information Technology (for Trial Implementation) and other laws and regulations.

Critical information infrastructures operators and enterprises which process important data or a large amount of personal information shall be subject to security reviews, assessment and filing according to the law. Cross-border data transfer shall pass the security assessment.

12. REGULATIONS RELATING TO INTELLECTUAL PROPERTY

Patent:

According to the Patent Law of the PRC, which was last amended on October 17, 2020 and came into effect on June 1, 2021, and the Implementation Rules for the Patent Law of the PRC, which was last amended on December 11, 2023 and came into effect on January 20, 2024, invention creations eligible for the application of a patent shall include inventions, utility models and designs. The PRC patent system adopts a "first come, first file" principle, which means that where more than two persons file a patent application for the same invention, a patent will be granted to the person who applies first.

Trademark:

The Trademark Law of the PRC, which was last amended on April 23, 2019 and came into effect on November 1, 2019, and the Implementation Regulations for the Trademark Law of the PRC, which was last amended on April 29, 2014 and came into effect on May 1, 2014, prescribe the process of registration, de-registration, renewal, alteration, transfer and invalidation of a trademark.

Copyright:

According to the Copyright Law of the PRC last amended on November 11, 2020 and came into effect on June 1, 2021, and the Implementation Regulations for the Copyright Law of the PRC promulgated by the State Council on August 2, 2002, last amended on January 30, 2013 and came into effect on March 1, 2013, works of Chinese citizens, legal persons or unincorporated organizations, whether published or not, are entitled to copyright in accordance with this law.

Pursuant to the Regulations on the Protection of Computer Software last amended on January 30, 2013 and became effective on March 1, 2013, and the Measures for the Registration of Computer Software Copyright promulgated by the National Copyright Administration on February 20, 2002, "computer software" (the "**software**") refers to computer programs and related files. Chinese citizens, legal persons or other organizations enjoy the copyright of the software he/it has developed, whether the software is released publicly or not. Software copyright commences from the date on which the development of the software is completed. The protection period for software copyright of a legal person or other organization shall be 50 years, concluding on December 31 of the 50th year after the software's initial release. But if the software has not been released within 50 years from the date on which the software development is completed, it shall no longer receive protection.

Domain Name:

Pursuant to the Administrative Measures on the Internet Domain Names promulgated by the MIIT on August 24, 2017 and became effective on November 1, 2017. The MIIT is the main regulatory authority responsible for implementing supervision and administration over domain name services nationwide. Domain names registrations are handled through domain name service agencies established under the relevant regulations, and the applicants become domain name holders upon successful registration. Communication administrative bureaus at provincial levels shall conduct supervision and administration of the domain name services within their respective administrative jurisdictions.

13. REGULATIONS RELATING TO LABOR AND EMPLOYMENT, SOCIAL INSURANCE AND HOUSING PROVIDENT FUNDS

The Labor Law of the PRC and the Labor Contract Law of the PRC provide that employers shall enter into labor contracts with employees, comply with the minimum wage standards and establish a system governing labor safety.

The Social Insurance Law of the PRC prescribes that employers shall contribute to the pension insurance, medical insurance, unemployment insurance, occupational injury insurance and maternity insurance for their employees. Employers who fail to do so may be ordered to make full payment and subject to a penalty.

The Regulations on the Housing Provident Fund provides that employers shall contribute to the housing provident funds of their employees. The rate of contribution shall not be lower than 5% of the employee's average monthly salary in the previous year.

14. REGULATIONS RELATING TO TAX

Enterprise Income Tax: The Enterprise Income Tax Law of the PRC provides that resident enterprises shall pay enterprise income tax at the tax rate of 25%. High and New Technology Enterprises are entitled to the preferential tax rate of 15%.

Value-added Tax: According to the Interim Regulations on Value-added Tax of the PRC and the Value-added Tax Law promulgated in 2024, the sales of goods, labor, services, intangible assets, immovable property and imported goods are subject to value-added tax, at rates of 13%, 9%, 6% and others varying by industry.

15. REGULATIONS RELATING TO FOREIGN EXCHANGE ADMINISTRATION

Pursuant to the Regulations of the PRC on Foreign Exchange Control, Renminbi is freely convertible for current account items. Conversion of Renminbi for capital account items shall obtain approval from the SAFE. Foreign-invested enterprises could use the settlement of foreign exchange capital for domestic investment according to the law.

Pursuant to the Notice of the State Administration of Foreign Exchange on Issues Relating to Foreign Exchange Control Pertaining to Overseas Listing, the SAFE and its branches and shall implement supervision, administration and inspection of business registration, account opening and usage, cross-border receipts and payments, fund remittance etc. involved in overseas listing of domestic companies. A domestic company shall complete registration formalities for overseas listing with the foreign exchange administration with relevant materials at its domicile of registration within 15 working days from completion of issuance for its overseas listing.

Pursuant to the Notice of the State Administration of Foreign Exchange on Further Deepening the Reform to Facilitate Cross-border Trade and Investment, foreign exchange funds raised from overseas listings by domestic enterprises may be directly remitted to capital account settlement accounts, and funds in capital account settlement accounts may be freely converted and used.

16. REGULATIONS RELATING TO DIVIDEND DISTRIBUTION

Pursuant to the Company Law, 10% of profits shall be allocated to the Company's statutory reserve funds, until the aggregate amount of the statutory reserve funds has reached 50% of the Company's registered capital. There shall not be any profit distribution before the Company covers its loss.

17. REGULATIONS RELATING TO OVERSEAS LISTING

Pursuant to the Trial Measures for the Administration of Overseas Securities Offering and Listing of Securities by Domestic Enterprises and the application guidelines for its supporting regulatory rules (the "**Trial Measures**"), unified filing management is implemented for direct and indirect overseas issuance and listing of securities by domestic enterprises, and the issuer shall perform filing procedures and report relevant information to the securities regulatory authorities under the State Council. Issuers directly listed overseas shall file with the CSRC within 3 working days after submitting the application documents for overseas issuance and listing. In the following circumstances, issuers shall not issue securities and be listed overseas: (i) it is clearly prohibited from listing for financing by laws, administrative regulations, or relevant provisions of the PRC; (ii) overseas issuance or listing of securities may jeopardize national security as reviewed and determined by the relevant competent authorities of the State Council in accordance with the law; (iii) the domestic enterprises or their controlling shareholders, de facto controllers have committed corruption, bribery, embezzlement of property, misappropriation of property, or criminal offences that disrupted the socialist market economic order within the last three years; (iv) domestic enterprises are being investigated in accordance with the law due to suspected criminal or major illegal activities, and there is no clear conclusion or opinion yet; (v) there is a significant ownership dispute over the equity held by the controlling shareholders or shareholders controlled by the controlling shareholders and/or de facto controllers.

According to Provisions on Strengthening Confidentiality and Archives Administration in Respect of Overseas Issuance and Listing of Securities by Domestic Companies (the "**Provisions on Strengthening Confidentiality and Archives Administration**") jointly issued by the CSRC and other relevant departments on February 24, 2023 and effective on March 31, 2023, to provide or publicly disclose to the relevant securities companies, securities service agencies, overseas regulatory authorities and other entities and individuals any document or material involving State secrets or work secrets of State agencies, a domestic enterprise shall apply to the competent department with examination and approval authority for approval in accordance with the law, and file the same with the secrecy administration at the same level for the record. The working papers formed within the territory of the PRC by the securities companies and securities service agencies that provide corresponding services for the overseas issuance and listing of domestic enterprises shall be kept within the territory of the PRC, and cross-border transfer shall go through the examination and approval formalities in accordance with the relevant provisions of the State.

18. U.S. OUTBOUND INVESTMENT RULE

On October 28, 2024, the U.S. Department of the Treasury ("**Treasury**") issued the Provisions Pertaining to U.S. Investments in Certain National Security Technologies and Products in Countries of Concern ("**Outbound Investment Rule**"), which implements Executive Order 14105 of August 9, 2023. On December 18, 2025, the President of the United States signed into law the Fiscal Year 2026 National Defense Authorization Act, which includes the Comprehensive Outbound Investment National Security Act of 2025 ("**COINS Act**"). The COINS Act largely codifies the core of the Outbound Investment Rule while making certain modifications. While the COINS Act was legally enacted and effective on December 18, 2025, it is not self-executing and it does not replace or amend the Outbound Investment Rule immediately. The COINS Act is a U.S. federal statute that provides the statutory basis of the Outbound Investment Rule. The COINS Act requires the Treasury to, within 450 days from passage, promulgate new or amended regulations (which may then amend or replace the Outbound Investment Rule) to implement the law.

Effective on January 2, 2025, the Outbound Investment Rule (i) requires U.S. persons to notify the Treasury of certain investments within 30 days of completion ("**notifiable transactions**") and (ii) prohibits U.S. persons from engaging in other investments ("**prohibited transactions**"), in both cases where the transactions involve "covered foreign persons" located in "countries of concern" (including those in the PRC including Hong Kong and Macau) who are engaged in "covered activities" involving one or more of three sectors of national security technologies and products: (a) semiconductors and microelectronics; (b) quantum information technologies; and (c) certain artificial intelligence systems. Such investments are referred to as "covered transactions", and include activities such as the acquisition of equity interests (including contingent equity interests), providing debt financing, forming joint ventures, and engaging in certain investments as a limited partner in a fund.

Generally, activities and technology that are deemed to present the most acute national security concerns are prohibited, while other designated activities are subject to notification requirements. In particular, in the context of semiconductor packaging in the semiconductor and microelectronics sector within the meaning of the Outbound Investment Rule:

- Prohibited transactions refer to covered transactions involving a covered foreign person engaged in the packaging of any IC using advanced packaging techniques. Advanced packaging is defined for these purposes to mean the packaging of ICs in a manner that supports the two-and-one-half-dimensional (2.5D) or three-dimensional (3D) assembly of ICs, such as by directly attaching one or more die or wafer using through-silicon vias, die or wafer bonding, heterogeneous integration, or other advanced methods and materials.

- Notifiable transactions refer to covered transactions involving a covered foreign person engaged in the packaging of any IC not covered by the above descriptions.

The Outbound Investment Rule contains exceptions for certain investments ("**excepted transactions**"). Notably, investments in any publicly traded security that trades on a securities exchange or over-the-counter in any jurisdiction are exempted, except to the extent that the investments would afford the U.S. person investor rights beyond standard minority shareholder protections with respect to the covered foreign person ("**publicly traded securities exception**"). On December 23, 2025, the Treasury published additional frequently asked questions ("**FAQs**") on the Outbound Investment Rule, in which it is provided 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, the publicly traded securities exception applies regardless of when an agreement to make its investments is entered into.

If the business activities of a covered foreign person meet the definition of covered activities that could result in a prohibited or notifiable transaction without available exceptions, the prohibition or notification requirement rests with the U.S. person. A U.S. person is required to conduct a "reasonable and diligent inquiry" in assessing whether it has any compliance obligations in connection with the Outbound Investment Rule. Engaging in a prohibited transaction or failure to submit a required notification, as the case may be, can result in civil or criminal liability.

For our assessment of the implications and impact of the Outbound Investment Rule on the Group, the Global Offering and any investment prospects, please see "Business — U.S. Outbound Investment Rule Implications".

OVERVIEW

We are a provider of semiconductor assembly and testing services, principally engaged in developing packaging design, offering customized packaging products as well as packaging product testing service. Our history can be traced back to the establishment of our predecessor, Jiangsu Silicon Integrity Semiconductor Technology Ltd.* (江蘇芯德半導體科技有限公司) in September 2020 under the laws of the PRC. In June 2024, we converted from a limited liability company into a joint stock limited company with its corporate name changed to Jiangsu Silicon Integrity Semiconductor Technology Co., Ltd.* (江蘇芯德半導體科技股份有限公司). Our Company's name has been changed from Jiangsu Silicon Integrity Semiconductor Technology Co., Ltd. to Jiangsu Xinde Semiconductor Technology Co., Ltd. on October 15, 2026. As of the Latest Practicable Date, the registered capital of our Company was RMB959,061,732.00, divided into 959,061,732 Shares, with a nominal value of RMB1.00 each.

BUSINESS DEVELOPMENT MILESTONES

The following table summarizes our key development milestones:

Year	Milestone
2020	(1) The predecessor of our Company, Jiangsu Silicon Integrity Semiconductor Technology Ltd.* (江蘇芯德半導體科技有限公司) was established in September; (2) We confirmed and placed orders for key production equipments for Bumping, WLP, WB-QFN, FC-QFN and LGA.
2021	We achieved volume production to fulfill customers' delivery schedules.
2022	(1) Our workshop was designated as "Jiangsu Province Intelligent Manufacturing Demonstration Workshop — Wafer-Level Advanced Bumping Intelligent Manufacturing Workshop" (江蘇省智能製造示範車間–晶圓級先進凸塊智能製造車間) by the Industry and Information Technology Department of Jiangsu (江蘇省工業和信息化廳); (2) We developed the BGA packaging processes, covering WB-BGA, FC-BGA and Hybrid-BGA technologies.
2023	(1) We were recognized as a "National High and New Technology Enterprise" (國家高新技術企業) by the Jiangsu Provincial Department of Science and Technology (江蘇省科學技術廳), the Jiangsu Provincial Department of Finance (江蘇省財政廳) and the Jiangsu Provincial State Taxation Bureau (江蘇省國家税務局); (2) We launched the CAPiC platform, introducing it to the industry and focusing on research and development of high-end packaging technologies; (3) We established our subsidiary, Yangzhou Chiplet, to expand our R&D capabilities in advanced integrated circuit technologies.

Year	Milestone
2024	(1) We were recognized as National "Specialized, Refined, Distinctive and Innovative Little Giant Enterprise" (專精特新小巨人企業) by the Ministry of Industry and Information Technology of the PRC (中華人民共和國工業和信息化部); (2) Our 2.5D/3D-FOCT-R solution, which utilizes RDL as interposers, successfully passed customer qualification and entered the LVM stage; (3) We developed advanced manufacturing processes for EMI and DSmSiP used in high-performance RF modules, and completed the development of optical products featuring 2.5D/3D structures.
2025	(1) We successfully completed the full-process technical verification of 2.5D/3D-FOCT-L based on the embedded bridge fan-out high-performance chip interconnect packaging process in October; (2) All equipments for 2.5D/3D-FOCT-S, which adopts TSV silicon as the interposer, was delivered and entered internal process verification and qualification runs; (3) We also successfully fabricated TGV mechanical samples, utilizing glass as the interposer material.

ESTABLISHMENT AND DEVELOPMENT OF OUR COMPANY

Establishment and Initial Shareholding Interests

On September 11, 2020, the predecessor of our Company was established under the laws of the PRC known as Jiangsu Silicon Integrity Semiconductor Technology Ltd.* (江蘇芯德半導體科技有限公司) with an initial registered capital of RMB110,000,000 by Xinlianxin Enterprise Management Consulting Partnership Enterprise (Limited Partnership)* (南京心聯芯企業管理諮詢合夥企業(有限合夥)) ("**Xinlianxin**"), Nanjing Yuanjun Enterprise Management Consulting Partnership Enterprise (Limited Partnership)* (南京市元鈞企業管理諮詢合夥企業(有限合夥)) ("**Nanjing Yuanjun**") and Nanjing Ningtaixin Enterprise Consulting Management Partnership Enterprise (Limited Partnership)* (南京寧泰芯企業諮詢管理合夥企業(有限合夥)) ("**Ningtaixin**"), holding 63.64%, 18.18% and 18.18% of our Company's then registered capital, respectively.

Capital Injections in November 2020

On November 9, 2020, the then shareholders of our Company passed a resolution to increase its registered capital from RMB110 million to RMB300 million, pursuant to which Nanjing Pukou Development Zone Strategic Emerging Industry Investment Partnership Enterprise (Limited Partnership)* (南京浦口開發區戰略新興產業投資合夥企業(有限合夥)) ("**Nanjing Pukou Industry Investment**"), which is ultimately beneficially owned by the Administrative Committee of Nanjing Pukou Economic Development Zone (南京浦口經濟開發區管理委員會), subscribed for the increased registered capital of RMB190 million of our Company at a subscription price of RMB190 million. The subscription prices were determined with reference to the share capital of the equity interest subscribed. Following the capital injection, Nanjing Pukou Industry Investment held approximately 63% of the registered capital of our Company.

Nanjing Pukou Industry Investment invested in our Company at RMB1 per unit of registered capital as a start-up support investment. As a state-owned investment platform, in order to prevent the loss of state-owned assets and to safeguard its investment principal, Nanjing Pukou Industry Investment agreed with our Company in the investment agreement on an exit arrangement in advance, under which Ningtaixin was entitled to repurchase the equity interest held by Nanjing Pukou Industry Investment. Such arrangement was set out in the capital injection agreement (the "**Pukou Capital Injection Agreement**") dated November 9, 2020, under which Ningtaixin was entitled to repurchase up to 85% of the equity interest in our Company held by Nanjing Pukou

Industry Investment at a price equal to the original investment principal, without any interest or financing cost, within five years from the date on which the RMB190 million was fully paid up (being November 9, 2020). Subsequently, with the consent of Nanjing Pukou Industry Investment, Mr. Zhang Guodong, Mr. Pan Mingdong, Mr. Liu YI and Ningpuxin were also permitted to repurchase such equity interest. Following the written applications submitted by the respective repurchasers, Nanjing Pukou Industry Investment signified its consent by entering into the corresponding equity transfer agreements, the date of such consent being the date on which each agreement was signed. Nanjing Pukou Industry Investment agreed because all of the repurchasers, as well as Ningtaixin (the party originally entitled to repurchase), are members of our Single Largest Shareholder Group, and regardless of which of them made the repurchase, Nanjing Pukou Industry Investment would recover its original investment principal, thereby achieving the purpose of its principal protection arrangement in all circumstances. Our PRC Legal Advisor is of the view that the signing of the equity transfer agreements fully reflected the genuine intention of both parties, and that such consent is genuine and valid and complies with applicable PRC laws and regulations. The repurchase right was not subject to any performance conditions. Nanjing Pukou Industry Investment is a state-owned enterprise and is independent of, and not connected with, the Single Largest Shareholder Group (namely, Mr. Zhang Guodong, Mr. Pan Mingdong, Mr. Liu Yi, Ningtaixin and Ningpuxin) in any way. Our Directors and the Sole Sponsor are of the view that the Pukou Capital Injection Agreement and the subsequent equity transfers to the Single Largest Shareholder Group were conducted on an arm's length basis and on normal commercial terms. The repurchase price was pre-agreed in the Pukou Capital Injection Agreement and was not subject to any subsequent adjustment or negotiation. Although the repurchase price differed from the prices of contemporaneous equity transfer transactions, Nanjing Pukou Industry Investment could not have foreseen such prices when entering into the Pukou Capital Injection Agreement, and its investment was not made to seek financial returns from equity appreciation. Each transfer was approved in accordance with the internal procedures of Nanjing Pukou Industry Investment, and the consideration was fully settled by the transferee out of its own funds. Our PRC Legal Advisor is of the view that Nanjing Pukou Investment is a limited partnership and therefore falls outside the scope of entities to which the Interim Measures for the Administration of State-owned Assets Appraisal of Enterprises (《企業國有資產評估管理暫行辦法》) apply. Accordingly, the subscription by Nanjing Pukou Industry Investment, the entry into the Pukou Capital Injection Agreement and the subsequent transfers of equity interest by Nanjing Pukou Industry Investment to Ningtaixin, Ningpuxin, Mr. Zhang Guodong, Mr. Pan Mingdong and Mr. Liu Yi to complete the repurchases did not require any state-owned assets appraisal filing, and an independent valuation was therefore not conducted. Such transactions had completed the relevant internal approval procedures of Nanjing Pukou Industry Investment. Our PRC Legal Advisor is further of the view that such transactions complied with the applicable PRC laws and regulations, as (i) the repurchase right was agreed by the parties on a voluntary basis and did not violate any mandatory provisions of PRC laws or administrative regulations, and is therefore valid and enforceable; (ii) the relevant internal approval procedures of Nanjing Pukou Industry Investment had been completed; and (iii) such transfers of equity interest were conducted in accordance with the applicable PRC laws. Save for the equity interest in our Company purchased from Nanjing Pukou Industry Investment at RMB1.00 per RMB1 of registered capital and the economic benefits realized from the subsequent transfer of such equity interest to other parties at a higher price, none of Ningtaixin, Ningpuxin, Mr. Zhang Guodong, Mr. Pan Mingdong and Mr. Liu Yi has received any other payment, benefit or advantage from Nanjing Pukou Industry Investment in connection with the such equity transfers. They transferred part of the repurchased equity interest to other investors in order to fund the payment of their registered capital in our Company, and applied the substantial majority of the proceeds for that purpose.

Capital Injections in January 2021

On January 11, 2021, the then shareholders of our Company passed a resolution to increase its registered capital from RMB300 million to RMB400 million, pursuant to which Jiaxing FirstLight Hongtong Equity Investment Partnership Enterprise (Limited Partnership)* (嘉興晨壹泓彤股權投資合夥企業(有限合夥)) ("**FirstLight Hongtong**") subscribed for the increased registered capital of RMB78 million of our Company and Jiaxing Hongyu Taiying Equity Investment Partnership Enterprise (Limited Partnership)* (嘉興竑瑜泰盈股權投資合夥企業(有限合夥)) ("**Jiaxing Taiying**") subscribed for the increased registered capital of RMB22 million of our Company at a subscription price of RMB78 million and RMB22 million, respectively. The subscription prices were determined with reference to the share capital of the equity interest subscribed.

Capital Injections in March 2021

On March 30, 2021, the then shareholders of our Company passed a resolution to increase its registered capital from RMB400 million to RMB510 million, pursuant to which Ningtaixin subscribed for the increased registered capital of RMB10 million of our Company and Shanghai Houjie Information Technology Partnership Enterprise (Limited Partnership)* (上海厚傑信息技術合夥企業(有限合夥)) ("**Shanghai Houjie**") subscribed for the increased registered capital of RMB100 million of our Company at a subscription price of RMB10 million and RMB100 million, respectively. The subscription prices were determined with reference to the share capital of the equity interest subscribed.

Capital Injections and Equity Transfer in June 2021

On June 20, 2021, the then shareholders of our Company passed a resolution to increase its registered capital from RMB510 million to RMB610 million, pursuant to which Mr. Zhang Guodong (張國棟) ("**Mr. Zhang**") and Ningtaixin each subscribed for an increased registered capital of RMB50 million of our Company at a subscription price of RMB50 million each, resulting in a total increase in registered capital of RMB100 million. The subscription prices were determined with reference to the share capital of the equity interest subscribed.

On June 15, 2021, Shanghai Houjie and its partners, namely, Mr. Song Lin (宋琳) ("**Mr. Song**"), Mr. Zhu Jinqiang (朱進強) ("**Mr. Zhu**"), Ms. Xue Yumin (薛玉敏) ("**Ms. Xue**"), Ms. Zheng Yuying (鄭玉英) ("**Ms. Zheng**"), Ms. Wang Ye (王曄) and Shenzhen Gongchuang Investment Partnership Enterprise (Limited Partnership)* (深圳共創芯程投資合夥企業(有限合夥))* ("**Shenzhen Gongchuang**"), entered into an equity transfer agreement. Pursuant to this agreement, and in connection with the liquidation of Shanghai Houjie, its equity interests in our Company were distributed to its partners in accordance with their respective capital contributions. Specifically, Shanghai Houjie agreed to transfer 4.92%, 4.1%, 2.95%, 2.79%, 0.82% and 0.82% equity interest in our Company to Shenzhen Gongchuang, Mr. Song. Ms. Wang Ye, Mr. Zhu, Ms. Xue and Ms. Zheng, respectively, without consideration.

On June 21, 2021, Xinlianxin and Ms. Wang Danfeng (王丹鳳) ("**Ms. Wang**") entered into an equity transfer agreement, pursuant to which Xinlianxin agreed to transfer 2.46% equity interest in our Company to Ms. Wang at the consideration of RMB15 million. The considerations were determined based on arm's length negotiations between the relevant parties.

Equity Transfer and Capital Injections in August 2021

On July 27, 2021, the then shareholders of our Company passed a resolution to increase its registered capital from RMB610 million to RMB700 million. A total of nine subscribers participated in this capital increase. Hubei Xiaomi Changjiang Industry Fund Partnership Enterprise (Limited Partnership) (湖北小米長江產業基金合夥企業(有限合夥)) ("**Xiaomi Changjiang**") subscribed for RMB25,000,000 in registered capital at a consideration of RMB125,000,000; Nanjing Jinpu Xinchao Jixiang Venture Capital Partnership (Limited Partnership) (南京金浦新潮吉祥創業投資合夥企業(有限合夥)) ("**Xinchao Jixiang**") subscribed for RMB20,000,000 at a consideration of RMB100,000,000; Nanjing Jinpu Xinchao Chenguang Venture Capital Partnership (Limited Partnership) (南京金浦新潮晨光創業投資合夥企業(有限合夥)) ("**Xinchao Chenguang**") subscribed for RMB10,000,000 at a consideration of RMB50,000,000; Wuxi FirstLight Growth Equity Investment Fund (Limited Partnership) (無錫晨壹成長股權投資基金(有限合夥)) ("**FirstLight Growth**") subscribed for RMB10,000,000 at a consideration of RMB50,000,000; Guangdong Changtuoshi Venture Capital Partnership (Limited Partnership) (廣東長拓石創業投資合夥企業(有限合夥)) ("**Changtuoshi VC**") subscribed for RMB6,000,000 at a consideration of RMB30,000,000; Shanghai Quanqi Management Consulting Center (Limited Partnership) (上海權琦管理諮詢中心(有限合夥)) ("**Shanghai Quanqi**") subscribed for RMB5,000,000 at a consideration of RMB25,000,000; Nanjing Sumin Investment Equity Investment Partnership Enterprise (Limited Partnership) (南京蘇民金帆股權投資合夥企業(有限合夥)) ("**Sumin Investment**") subscribed for RMB5,000,000 at a consideration of RMB25,000,000; Nanjing Talent Innovation and Entrepreneurship Investment Fund Partnership (Limited Partnership) (南京市人才創新創業投資基金合夥企業(有限合夥)) ("**Nanjing Talent**") subscribed for RMB5,000,000 at a consideration of RMB25,000,000; and Pingtan Qiange Venture Capital Partnership Enterprise (Limited Partnership) (平潭乾閣創業投資合夥企業(有限合夥)) ("**Pingtan Qiange**") subscribed for RMB4,000,000 at a consideration of RMB20,000,000. The consideration paid by each subscriber was determined based on arm's length negotiations among the relevant parties, taking into account the timing of the investments, the business, operations and status of the Company and its operating entities, as well as the prospects of the Company's business.

On July 27, 2021, Ningtaixin, Mr. Zhang, Shanghai Quanqi, Sumin Investment and Wuxi Xianfeng Intelligent Manufacturing Investment Partnership Enterprise (Limited Partnership)* (無錫先鋒智造投資合夥企業(有限合夥)) ("**Xianfeng Investment**") entered into an equity transfer agreement, pursuant to which Ningtaixin agreed to transfer 0.71%, 0.54% and 0.17% equity interest in our Company to Shanghai Quanqi, Sumin Investment and Xianfeng Investment respectively, and Mr. Zhang agreed to transfer 1.43% equity interest in our Company to Shanghai Quanqi, at a total consideration of RMB100 million.

Equity Transfer and Capital Injections in October 2021

In September 10, 2021, the shareholders of our Company passed a resolution to increase its registered capital from RMB700 million to approximately RMB776.91 million. A total of ten subscribers participated in this capital increase. Jiangsu Jiuquan Junhai Rongxin Investment Partnership Enterprise (Limited Partnership) (江蘇聿泉君海榮芯投資合夥企業(有限合夥)) ("**Jiangsu Jiequan**") subscribed for RMB13,272,727 in registered capital at a consideration of RMB73,000,000; Nanjing Zijin Advanced Manufacturing Industry Equity Investment Center (Limited Partnership) (南京紫金先進製造產業股權投資中心(有限合夥)) ("**Zijin Advanced**") subscribed for RMB12,727,273 at a consideration of RMB70,000,000; Xunxing Investment (Chongqing) Co., Ltd (巡星投資(重慶)有限公司) ("**Xunxing Investment**") subscribed for RMB10,909,091 at a consideration of RMB60,000,000; Ningbo Xinshuo Venture Capital Partnership Enterprise (Limited Partnership) (寧波鑫碩創業投資合夥企業(有限合夥)) ("**Ningbo Xinshuo**") subscribed for RMB10,909,091 at a consideration of RMB60,000,000; Shanghai Xianghe Yongjun Equity Investment Partnership Enterprise (Limited Partnership) (上海祥禾涌駿股權投資合夥企業(有限合夥)) ("**Xianghe Yongjun**") subscribed for RMB7,272,727 at a consideration of RMB40,000,000; Changsha Huaye High Tech Innovation Private Equity Fund Partnership Enterprise (Limited Partnership) (長沙華業高創私募股權基金合夥企業(有限合夥))

("**Huaye High Tech**") subscribed for RMB5,454,546 at a consideration of RMB30,000,000; Pingtan Hengrui No. 6 Equity Investment Partnership Enterprise (Limited Partnership) (平潭恒睿六號股權投資合夥企業(有限合夥)) ("**Hengrui No. 6**") subscribed for RMB5,454,545 at a consideration of RMB30,000,000; Ningbo Jinpu Pengyuan Venture Capital Partnership Enterprise (Limited Partnership) (寧波金浦鵬源創業投資合夥企業(有限合夥)) ("**Jinpu Pengyuan**") subscribed for RMB3,636,364 at a consideration of RMB20,000,000; Nanjing Jinpu Consumer Intelligent Manufacturing Equity Investment Fund Partnership Enterprise (Limited Partnership) (南京金浦消費智造股權投資基金合夥企業(有限合夥)) ("**Jinpu Consumer**") subscribed for RMB3,636,364 at a consideration of RMB20,000,000; and Shanghai Jinpu Technology Entrepreneurship Equity Investment Fund Partnership Enterprise (Limited Partnership) (上海金浦科技創業股權投資基金合夥企業(有限合夥)) ("**Jinpu Technology**") subscribed for RMB3,636,364 at a consideration of RMB20,000,000. The consideration paid by each subscriber was determined based on arm's length negotiations among the relevant parties, taking into account the timing of the investments, the business, operations and status of the Company and its operating entities, as well as the prospects of the Company's business.

On the same day, Nanjing Pukou Industry Investment, Ningtaixin and Mr. Pan Mingdong (潘明東) ("**Mr. Pan**") entered into an equity transfer agreement, pursuant to which Nanjing Pukou Industry Investment agreed to transfer 4.51% and 3.22% of the equity interest in our Company to Ningtaixin and Mr. Pan, respectively, at a consideration of RMB60 million. Such repurchase was made by Ningtaixin and with the consent of Nanjing Pukou Industry Investment, Mr. Pan, pursuant to the repurchase right under the Pukou Capital Injection Agreement, at a price equal to the original investment principal (i.e., RMB1.00 per RMB1 of registered capital), without any interest or financing cost. Our Directors are of the view that such transfers of equity interest were fair and reasonable and were conducted on normal commercial terms. Ningtaixin agreed to transfer 1.80% of the equity interest to Jiangsu Jiequan, at a consideration of RMB77 million.

On October 26, 2021, our Company completed the relevant registration for the capital injections and equity transfers.

Equity Transfer in April 2022

On December 1, 2021, Ms. Wang Ye, Xinlianxin, Jiaxing Taiying and Mr. Song entered into a series of equity transfer agreements with the respective transferees thereunder. Pursuant to the aforesaid agreements, Ms. Wang Ye agreed to transfer 0.91% and 0.24% of the equity interest in our Company to Gongqingcheng Longxin Juneng Venture Capital Partnership Enterprise (Limited Partnership)* (共青城龍芯聚能創業投資合夥企業(有限合夥)) ("**Longxin Juneng**") and Gongqingcheng Longxin Intelligent Entrepreneurship Investment Partnership Enterprise (Limited Partnership)* (共青城龍芯智能創業投資合夥企業(有限合夥)) ("**Longxin Intelligent**") respectively, at a total consideration of RMB49.5 million. Xinlianxin agreed to transfer 0.26% and 0.13% of the equity interest to Suzhou Fenhu Qinhe Venture Capital Center (Limited Partnership)* (蘇州汾湖勤合創業投資中心(有限合夥)) ("**Suzhou Fenhu**") and Shenzhen Hongtu Yuechuan Equity Investment Fund Partnership Enterprise (Limited Partnership)* (深圳市紅土嶽川股權投資基金合夥企業(有限合夥)) ("**Shenzhen Hongtu**") respectively, at a total consideration of RMB16.5 million. Jiaxing Taiying agreed to transfer 0.64% of the equity interest to Zhuhai Hongtu Zhanlu Equity Investment Partnership Enterprise (Limited Partnership)* (珠海市紅土湛盧股權投資合夥企業(有限合夥)) ("**Zhuhai Hongtu**"), and Mr. Song agreed to transfer 0.51% of the equity interest, at a total consideration of RMB49.5 million.

On April 7, 2022, our Company completed the relevant registration procedures for the above equity transfers.

Equity Transfer and Capital Injections in June 2023

In February 28, 2023, the shareholders of our Company passed a resolution to increase its registered capital from approximately RMB776.91 million to approximately RMB810.55 million. A total of four subscribers participated in this capital increase. Yangzhou Longtou Semiconductor Industry Investment Fund Partnership Enterprise (Limited Partnership) (揚州龍投芯粒半導體產業投資基金合夥企業(有限合夥)) ("**Yangzhou Longtou**") subscribed for RMB18,181,818 in registered capital at a consideration of RMB100,000,000; Sumin Investment (南京蘇民金帆股權投資合夥企業(有限合夥)) ("**Sumin Investment**") subscribed for RMB5,421,318 at a consideration of RMB29,817,249; Xianfeng Investment ("**Xianfeng Investment**") subscribed for RMB33,227 at a consideration of RMB182,751; and Mr. Liu Yi (劉怡) ("**Mr. Liu**") subscribed for RMB10,000,000 at a consideration of RMB10,000,000. The consideration paid by each subscriber was determined based on arm's length negotiations among the relevant parties, taking into account the timing of the investments, the business, operations and status of the Company and its operating entities, as well as the prospects of the Company's business.

On the same day, each of Nanjing Pukou Industry Investment, Mr. Pan, Mr. Zhang, and Ms. Xue entered into various equity transfer agreements with the respective transferees thereunder. Pursuant to the aforesaid agreements, Nanjing Pukou Industry Investment agreed to transfer 3.70%, 2.31% and 0.86% of the equity interest in our Company to Ningbo Meishan Bonded Port Area Ningpuxin Enterprise Management Partnership Enterprise (Limited Partnership)* (寧波梅山保稅港區寧浦芯企業管理合夥企業(有限合夥)) ("**Ningpuxin**"), Mr. Zhang and Mr. Pan respectively, at a total consideration of RMB55,648,000.00. Such repurchase was made by Ningpuxin, Mr. Zhang and Mr. Pan, pursuant to the repurchase right under the Pukou Capital Injection Agreement and with the consent of Nanjing Pukou Industry Investment, at a price equal to the original investment principal (i.e., RMB1.00 per RMB1 of registered capital), without any interest or financing cost. Our Directors are of the view that such transfers of equity interest were fair and reasonable and were conducted on normal commercial terms. Mr. Pan also agreed to transfer 0.11% and 0.002% of the equity interest to Sumin Investment and Xianfeng Investment respectively, at a total consideration of RMB4,550,000.00. Mr. Zhang agreed to transfer 0.28% of the equity interest to Sumin Investment at a total consideration of RMB11,250,000.00. Ms. Xue agreed to transfer 0.62% of the equity interest to Jiangsu Xinchao Innovation Investment Group Co., Ltd* (江蘇新潮創新投資集團有限公司) ("**Xinchao Investment**") at a consideration of RMB25,000,000.00.

On June 8, 2023, our Company completed the relevant registration procedures for the above equity transfers.

Equity Transfer and Capital Injections in November 2023

In October 13, 2023, the shareholders of our Company passed a resolution to increase its registered capital from approximately RMB810.55 million to approximately RMB857.06 million. A total of six subscribers participated in this capital increase. Kunde (Xiamen) Financial Advisory Partnership Enterprise (Limited Partnership) (昆德(廈門)財務顧問合夥企業(有限合夥)) ("**Kunde Partnership**") subscribed for RMB19,636,364 in registered capital at a consideration of RMB108,000,000; Azure (Shenzhen) Private Equity Venture Capital Fund Partnership Enterprise (Limited Partnership) (蔚藍(深圳)私募創業投資基金合夥企業(有限合夥)) ("**Azure VC**") subscribed for RMB10,681,818 at a consideration of RMB58,750,000; Jiaxing Haoqi Equity Investment Partnership Enterprise (Limited Partnership) (嘉興皓麒股權投資合夥企業(有限合夥)) ("**Jiaxing Haoqi**") subscribed for RMB7,272,727 at a consideration of RMB40,000,000; Gongqingcheng Qixin Yuanchuang Entrepreneurship Investment Partnership Enterprise (Limited Partnership) (共青城啟新源創創業投資合夥企業(有限合夥)) ("**Qixin Yuanchuang**") subscribed for RMB5,834,459 at a consideration of RMB32,089,526; Shanghai Longcheer Technology Co., Ltd. (上海龍旗科技股份有限公司) ("**Longcheer Technology**") subscribed for RMB2,181,818 at a consideration of RMB12,000,000; and Shenzhen Zhuoyuan Industrial Investment Co., Ltd (深圳市卓源工業投資有限公司) ("**Zhuoyuan Investment**") subscribed for RMB909,091 at a consideration of RMB5,000,000. The consideration paid by each subscriber was determined based on arm's length negotiations among the relevant parties, taking into account the timing of the investments, the business, operations and status of the Company and its operating entities, as well as the prospects of the Company's business.

On the same day, Nanjing Pukou Industry Investment, Mr. Zhang, Mr. Pan, Mr. Liu, Ningpuxin, FirstLight Hongtong, Xinlianxin, Mr. Song, Ms. Wang, Ms. Wang Ye, and Pingtan Qiange entered into a series of equity transfer agreements with the respective transferees thereunder. Pursuant to the aforesaid agreements, Nanjing Pukou Industry Investment agreed to transfer 4.38%, 0.47%, 0.30%, and 0.20% of the equity interest in our Company to Ningpuxin, Mr. Zhang, Mr. Liu, and Mr. Pan respectively, at a total consideration of RMB45,852,000.00. Such repurchase was made by Ningpuxin, Mr. Zhang, Mr. Liu and Mr. Pan, pursuant to the repurchase right under the Pukou Capital Injection Agreement and with the consent of Nanjing Pukou Industry Investment, at a price equal to the original investment principal (i.e., RMB1.00 per RMB1 of registered capital), without any interest or financing cost. Our Directors are of the view that such transfers of equity interest were fair and reasonable and were conducted on normal commercial terms. Mr. Zhang agreed to transfer 0.54% and 0.50% of the equity interest to Xinxiang Rongcheng (Xiamen) Enterprise Management Consulting Partnership Enterprise (Limited Partnership)* (欣向榮呈(廈門)企業管理諮詢合夥企業(有限合夥)) ("**Xinxiang Rongcheng**") and Kunde Partnership respectively, at a total consideration of RMB44,500,000.00. Mr. Pan agreed to transfer 0.26% and 0.19% of the equity interest to Azure VC and Qixin Yuanchuang respectively, at a total consideration of RMB19,250,000.00. Mr. Liu agreed to transfer 0.23% and 0.07% of the equity interest to Jiaxing Haoqi and Longcheer Technology respectively, at a total consideration of RMB13,000,000.00. Ningpuxin agreed to transfer 0.01% and 0.10% of the equity interest to Kunde Partnership and Azure VC, at a total consideration of RMB5,000,000.00. FirstLight Hongtong agreed to transfer 0.35% of the equity interest to each of Gaintech Co.Ltd ("**Gaintech**") and Xinxiang Rongcheng respectively, at a total consideration of RMB30 million. Xinlianxin and Mr. Song each agreed to transfer 0.07% of the equity interest to Xinxiang Rongcheng at a consideration of RMB3 million. Ms. Wang and Ms. Wang Ye agreed to transfer 1.75% and 1.05% of the equity interest, respectively, to Mr. Wang Xinchao, at a total consideration of RMB120 million. Pingtan Qiange agreed to transfer 0.47% of the equity interest to Ningbo Chentong Venture Capital Partnership Enterprise (Limited Partnership)* (寧波宸通創業投資合夥企業(有限合夥)) ("**Ningbo Chentong**") at a consideration of RMB20 million.

On November 30, 2023, our Company completed the relevant registration procedures for the above capital injections and equity transfers.

Conversion into a Joint Stock Limited Liability Company

On May 29, 2024, the then Shareholders of our Company passed resolutions approving, among other matters, the conversion of our Company from a limited liability company into a joint stock limited liability company and the change of the name of our Company from 江蘇芯德半導體科技有限公司 to 江蘇芯德半導體科技股份有限公司.

Upon completion of such conversion on June 27, 2024, the registered capital of our Company was RMB857,061,732.00 divided into 857,061,732 shares with a nominal value of RMB1.00 each, which were subscribed by all the existing Shareholders in proportion to their respective equity interest in our Company before the conversion.

Capital Injection in August 2024

On July 24, 2024, the shareholders of our Company passed a resolution to increase its share capital from approximately RMB857.06 million to approximately RMB896.33 million. The increase of approximately RMB39.27 million in share capital was fully subscribed by Xinxiang Rongcheng at a consideration of RMB216 million.

On August 19, 2024, our Company completed the industrial and commercial registration procedures for the above capital injection.

Equity Transfer and Capital Injections in August 2025

On July 3, 2025, the shareholders of our Company passed a resolution to increase its share capital from approximately RMB896.33 million to approximately RMB959.06 million. A total of four subscribers participated in this capital increase. Nanjing Xinju Management Consulting Partnership (Limited Partnership) (南京芯聚管理諮詢合夥企業(有限合夥)) ("**Nanjing Xinju**") subscribed for RMB54,545,455 in registered capital at a consideration of RMB300,000,000; Jiangsu Nanjing Advanced Manufacturing Industry Master Fund (Limited Partnership) (江蘇南京先進製造產業專項母基金(有限合夥)) ("**Advanced Manufacturing**") subscribed for RMB5,454,545 at a consideration of RMB30,000,000; Nanjing Pukou Zhiqi Low Altitude Economic Industry Fund Partnership Enterprise (Limited Partnership) (南京浦口智啟低空經濟產業基金合夥企業(有限合夥)) ("**Pukou Zhiqi**") subscribed for RMB1,818,182 at a consideration of RMB10,000,000; and Jiangsu Nantong Yuanhe Puhua Strategic Emerging Industries Venture Capital Investment Partnership (Limited Partnership) (江蘇南通元禾璞華戰新創業投資合夥企業(有限合夥)) ("**Yuanhe Puhua**") subscribed for RMB909,091 at a consideration of RMB5,000,000. The consideration paid by each subscriber was determined based on arm's length negotiations among the relevant parties, taking into account the timing of the investments, the business, operations and status of the Company and its operating entities, as well as the prospects of the Company's business.

On the same day, Shenzhen Gongchuang and Ningpuxin entered into a series of equity transfer agreements with the respective transferees. Pursuant to the aforesaid agreements, Shenzhen Gongchuang agreed to transfer 0.59% of the equity interest in our Company to Suzhou Huaye Xuchuang Investment Partnership Enterprise (Limited Partnership)* (蘇州華業續創投資合夥企業(有限合夥)) ("**Huaye Xuchuang**"), at a consideration of RMB25 million. Ningpuxin agreed to transfer 0.91% of the equity interest to Yuanhe Puhua, at a consideration of RMB35 million.

On August 12, 2025, our Company completed the relevant registration procedures for the above capital injection and equity transfers.

Equity Transfer in September 2025

On September 30, 2025, Sumin Investment, Xianfeng Investment, Wuxi Sumin Fengfan Enterprise Management Co., Ltd.* (無錫蘇民鋒帆企業管理有限公司) (the "**Sumin Fengfan**") and the Company entered into an equity transfer agreement, pursuant to which Sumin Investment and Xianfeng Investment agreed to transfer 0.29% and 0.02% equity interest in our Company to Sumin Fengfan at the consideration of RMB17,192,054.80.

OUR SUBSIDIARY

As of the Latest Practicable Date, we have one subsidiary, namely Yangzhou Chiplet Semiconductor Integration Co., Ltd.* (揚州芯粒集成電路有限公司) ("**Yangzhou Chiplet**"). Yangzhou Chiplet was incorporated as a limited liability company in the PRC on February 6, 2023 with a registered capital of RMB820,000,000, which was owned as to 28.05% by our Company, and 71.95% by Yangzhou Longtou. Yangzhou Longtou is controlled by the Yangzhou Municipal People's Government (揚州市人民政府). As part of an initiative and efforts of the Yangzhou Municipal People's Government to attract investment and introduce packaging and testing enterprises into the Yangzhou Economic Development Zone, Yangzhou Longtou, as a government fund, formed this joint venture with our Company to provide financial support for the expansion of our R&D capabilities in advanced integrated circuit technologies, leveraging local government resources to facilitate our technological development. Since its establishment, Yangzhou Chiplet has been primarily engaged in the research and development of advanced integrated circuit technologies.

To align the interests of the parties and ensure our effective control over the operation of Yangzhou Chiplet, on December 18, 2022, Administrative Committee of Jiangdu Economic Development Zone, Jiangsu Province (江蘇省江都經濟開發區管委會) ("**Jiangdu Administrative Committee**") and our Company entered into an investment agreement, pursuant to which Jiangdu Administrative Committee agreed to secure a government investment in an amount not less than RMB690,000,000, among which (i) RMB100,000,000 was invested in the equity interest in our Company; (ii) RMB590,000,000 was invested in a project company jointly established by our Company and the Jiangdu Administrative Committee. Pursuant to the investment agreement, Jiangdu Administrative Committee or any company acting on its behalf shall not be involved in the day-to-day operations of the project company. A cooperation agreement was subsequently entered in to between our Company and Yangzhou Longtou in respect of the establishment of Yangzhou Chiplet as the project company. In respect of Yangzhou Longtou's investment amount of RMB590,000,000 (representing approximately 71.95% of the equity interest) in Yangzhou Chiplet, Yangzhou Chiplet was granted (i) a right to repurchase, or designate a third party to purchase, up to RMB455,000,000 of the investment amount (representing approximately 55.49% of the equity interest of Yangzhou Chiplet) at the original investment cost excluding interest within five years from the date of capital contribution by Yangzhou Longtou, at Yangzhou Chiplet's discretion; (ii) a right to repurchase, up to RMB135,000,000 of the investment amount (representing approximately 16.46% of the equity interest of Yangzhou Chiplet) at fair value through cash payment or share exchange of our Company's shares upon Listing, at its discretion. As such, Yangzhou Chiplet has the unilateral right to exercise this repurchase rights and is not subject to any specific performance conditions, financial milestones, or other contractual prerequisites. A decision to exercise this repurchase right will be made in accordance with Yangzhou Chiplet's corporate governance procedures which would typically require the approval of the Directors and may be subject to further approval by shareholders in a general meeting. As of the Latest Practicable Date, Yangzhou Longtou has fully settled its capital contribution of RMB590,000,000 to Yangzhou Chiplet, with the final payment having been made on January 26, 2026.

On February 1, 2023, Yangzhou Longtou and our Company entered into a voting rights entrustment agreement, pursuant to which Yangzhou Longtou agreed, among other things, to irrevocably and unconditionally entrust to our Company the voting rights to its 59.45% equity interest in Yangzhou Chiplet for a term of five years subject to an automatic unconditional renewal in accordance with the terms thereunder. Yangzhou Longtou and our Company had entered into the entrustment arrangement as the government had intended to act as a passive investor, and to cede the management authority to personnel with expertise in the business in order to optimize and facilitate the growth of Yangzhou Chiplet. While ceding majority control, Yangzhou Longtou had decided to retain 12.5% of the voting rights, free from repurchase rights, underscoring Yangzhou Longtou's long-term strategic confidence and its commitment to remain invested and grow with our Company even in the event repurchase rights are exercised in the future. Save for such retained voting rights, which are ordinary voting rights only and are not accompanied by any board representation, nomination right, or veto or consent right over any shareholders' or board resolutions of Yangzhou Chiplet, Yangzhou Longtou does not retain any other special right in respect of Yangzhou Chiplet. Through these arrangements, Yangzhou Longtou has effectively provided our Company with voting control over Yangzhou Chiplet with the entrustment of voting rights, and agreed to a repurchase mechanism that enables us to ultimately acquire all of its equity interest in Yangzhou Chiplet, if we so decide. As a result of the aforementioned agreement, Yangzhou Longtou is entitled to 71.95% of the economic interests notwithstanding its entrustment of the 59.45% voting power to us.

The Directors are of the view, that as the abovementioned repurchase right may only be exercised by Yangzhou Chiplet after the Listing, the exercise of such rights would not constitute a pre-IPO investment under Chapter 4.2 of the Guide.

Based on the due diligence work conducted by the Sole Sponsor, nothing has come to its attention that would cause it to disagree with the Directors' view above.

According to the PRC Legal Advisor of our Company, (i) the terms of the aforementioned joint venture agreement and the voting rights entrustment agreement are legal, valid and enforceable, and are not in conflict with one another; (ii) following the Entrustment Arrangement, our Company holds an aggregate of 87.5% of the voting rights in Yangzhou Chiplet, which is sufficient, under PRC company law and the articles of association of Yangzhou Chiplet, to pass both ordinary and special resolutions, such that Yangzhou Longtou's retained 12.5% voting rights do not affect our Company's control over Yangzhou Chiplet; and (iii) the establishment of Yangzhou Chiplet as the joint venture company has been duly and legally completed in compliance with all relevant PRC laws and regulations. This view is based on the PRC Legal Advisor's review of the joint venture agreement, the articles of association, the business license and other registration documents, and the relevant capital contribution records of Yangzhou Chiplet.

ACQUISITION, MERGER AND DISPOSAL

During the Track Record Period and up to the Latest Practicable Date, we did not conduct any material acquisition or disposal.

OUR EMPLOYEES SHAREHOLDING PLATFORMS

In recognition of the contributions of our key employees and to incentivize them to further promote our development, Ningtaixin, Ningpuxin and their limited partners are our employees shareholding platforms (the "**Employees Shareholding Platforms**") through which our Shareholders' meeting have adopted the employee share incentive plans (the "**Employee Share Incentive Plans**") to award the partnership interest in aforesaid Employees Shareholding Platforms to eligible participants. The Employees Share Incentive Plans are not subject to the provisions of Chapter 17 of the Listing Rules.

According to the terms of the Employees Share Incentive Plans and the respective grant agreements, our certain employees were granted awards and registered as the limited partners of relevant Employees Shareholding Platforms upon grants or exercise of their awards. All management and voting powers of the Employees Shareholding Platforms are exercised by their general partners, Mr. Zhang and Mr. Pan, according to the respective partnership agreements, whereas the relevant employees as the limited partners of such Employees Shareholding Platforms are entitled to the economic interest. All employees participating in the Employees Shareholding Platforms are currently employed by our Group and hold positions at managerial level or above.

As of the Latest Practicable Date, the awards under the Employees Share Incentive Plans have been fully granted and all grantees have paid their respective amount of subscription price. In addition, the underlying Shares under the Employees Share Incentive Plans had already been issued, no new Shares will be issued pursuant to the Employees Share Incentive Plans.

Ningtaixin

Ningtaixin was established as a limited partnership under the laws of the PRC on September 9, 2020. As of the Latest Practicable Date, Ningtaixin held approximately 9.49% of our total Shares and its partnership structure is as follows:

Name	Position(s) in our Company	Capacity of Partnership Interests	Approximately Percentage of Partnership Interest
Mr. Zhang	Chairman, Executive Director	General Partner	16.71%
Mr. Pan	Executive Director, General Manager	Limited Partner	23.54%
Dr. Long Xinjiang	Executive Director, Deputy General Manager	Limited Partner	7.47%
Mr. Liu	Executive Director, Deputy General Manager	Limited Partner	2.20%
Mr. Zhang Zhong	Deputy General Manager	Limited Partner	5.49%
Nanjing Ningruiwei Information Consulting Partnership Enterprise (Limited Partnership)* (南京寧睿微信息諮詢合夥企業(有限合夥)) (the "**Ningruiwei**")[1]	–	Limited Partner	10.99%
Nanjing Ninghewei Consulting Management Partnership Enterprise (Limited Partnership)* (南京寧合微諮詢管理合夥企業(有限合夥)) (the "**Ninghewei**")[2]	–	Limited Partner	9.76%
Nanjing Ningxinwei Consulting Management Partnership Enterprise (Limited Partnership)* (南京寧信微諮詢管理合夥企業(有限合夥)) (the "**Ningxinwei**")[3]	–	Limited Partner	8.46%
Nanjing Ningrenwei Consulting Management Partnership Enterprise (Limited Partnership)* (南京寧仁微諮詢管理合夥企業(有限合夥)) (the "**Ningrenwei**")[4]	–	Limited Partner	5.49%
Nanjing Ningyiwei Consulting Management Partnership Enterprise (Limited Partnership)* (南京寧義微諮詢管理合夥企業(有限合夥)) (the "**Ningyiwei**")[5]	–	Limited Partner	5.49%

Name	Position(s) in our Company	Capacity of Partnership Interests	Approximately Percentage of Partnership Interest
Nanjing Ningzhiwei Consulting Management Partnership Enterprise (Limited Partnership)* (南京寧智微諮詢管理合夥企業(有限合夥)) (the "**Ningzhiwei**")(6)	–	Limited Partner	2.20%
Nanjing Ningliwei Consulting Management Partnership Enterprise (Limited Partnership)* (南京寧禮微諮詢管理合夥企業(有限合夥)) (the "**Ningliwei**")(7)	–	Limited Partner	2.20%
		Total	**100.00%**

Notes:

(1) Ningruiwei was established as a limited partnership under the laws of the PRC on February 4, 2021. As of the Latest Practicable Date, the general partner of Ningruiwei is Mr. Pan Mingdong, holding 6.90% of its partnership interests. The remaining interests are held by the limited partners, namely Mr. Zhang Zhong (19.00%), Dr. Long Xinjiang (10.00%) and 39 other individual employees (64.10%). No limited partner holds 30% or more of the partnership interests in Ningruiwei.

(2) Ninghewei was established as a limited partnership under the laws of the PRC on September 26, 2025. As of the Latest Practicable Date, the general partner of Ninghewei is Mr. Zhang Guodong, holding 1.13% of its partnership interests. The remaining interests are held by the limited partners, namely Ms. Fang Yaping (18.24%), Mr. Zhang Zhong (14.64%) and 23 other individual employees (65.99%). No limited partner holds 30% or more of the partnership interests in Ninghewei.

(3) Ningxinwei was established as a limited partnership under the laws of the PRC on September 26, 2025. As of the Latest Practicable Date, the general partner of Ningxinwei is Mr. Zhang Guodong, holding 1.30% of its partnership interests. The remaining interests are held by the limited partners, namely Mr. Liu Yi (45.79%), Dr. Long Xinjiang (25.99%), Ms. Fang Yaping (0.26%) and 26 other individual employees (26.66%). Save as disclosed herein, no limited partner holds 30% or more of the partnership interests in Ningxinwei.

(4) Ningrenwei was established as a limited partnership under the laws of the PRC on July 20, 2021. As of the Latest Practicable Date, the general partner of Ningrenwei is Mr. Zhang Guodong, holding 27.60% of its partnership interests. The remaining interests are held by the limited partners, namely Ms. Fang Yaping (1.60%) and 41 other individual employees (70.80%). No limited partner holds 30% or more of the partnership interests in Ningrenwei.

(5) Ningyiwei was established as a limited partnership under the laws of the PRC on July 20, 2021. As of the Latest Practicable Date, the general partner of Ningyiwei is Mr. Zhang Guodong, holding 18.00% of its partnership interests. The remaining interests are held by the limited partners, namely Ms. Fang Yaping (8.40%) and 43 other individual employees (73.60%). No limited partner holds 30% or more of the partnership interests in Ningyiwei.

(6) Ningzhiwei was established as a limited partnership under the laws of the PRC on November 23, 2023. As of the Latest Practicable Date, the general partner of Ningzhiwei is Mr. Zhang Guodong, holding 51.00% of its partnership interests. The remaining interests are held by the limited partners, namely Ms. Fang Yaping (2.5%) and 16 other individual employees (46.50%). Save as disclosed herein, no limited partner holds 30% or more of the partnership interests in Ningzhiwei.

(7) Ningliwei was established as a limited partnership under the laws of the PRC on July 19, 2021. As of the Latest Practicable Date, the general partner of Ningliwei is Mr. Pan Mingdong, holding 25.25% of its partnership interests. The remaining interests are held by the limited partners, 35 other individual employees (74.75%). No limited partner holds 30% or more of the partnership interests in Ningliwei.

Ningpuxin

Ningpuxin was established as a limited partnership under the laws of the PRC on October 8, 2022. As of the Latest Practicable Date, Ningpuxin held approximately 6.02% of our total Shares and its partnership structure is as follows:

Name	Position(s) in our Company	Capacity of Partnership Interests	Approximately Percentage of Partnership Interest
Mr. Zhang	Chairman, Executive Director	General Partner	0.17%
Ningbo Meishan Free Trade Port Dechengxin Enterprise Management Partnership Enterprise (Limited Partnership)* (寧波梅山保税港區得誠芯企業管理合夥企業(有限合夥)) (the "**Dechengxin**")[1]	–	Limited Partner	69.82%
Ningbo Meishan Free Trade Port Deyuexin Enterprise Management Partnership Enterprise (Limited Partnership)* (寧波梅山保税港區得悦芯企業管理合夥企業(有限合夥)) (the "**Deyuexin**")[2]	–	Limited Partner	16.15%
Ningbo Meishan Bonded Port Dezhongxin Enterprise Management Partnership Enterprise (Limited Partnership)* (寧波梅山保税港區得衷芯企業管理合夥企業(有限合夥)) (the "**Dezhongxin**")[3]	–	Limited Partner	8.76%
Ningbo Meishan Bonded Port Delixin Enterprise Management Partnership Enterprise (Limited Partnership)* (寧波梅山保税港區得禮芯企業管理合夥企業(有限合夥)) (the "**Delixin**")[4]	–	Limited Partner	5.09%
		Total	**100.00%**[5]

Notes:

(1) Dechengxin was established as a limited partnership under the laws of the PRC on September 8, 2022. As of the Latest Practicable Date, the general partner of Dechengxin is Mr. Zhang Guodong, holding 0.74% of its partnership interests. The remaining interests are held by the limited partners, namely Dr. Long Xinjiang (4.96%), Ms. Fang Yaping (4.96%), Mr. Zhang Zhong (3.53%), Mr. Pan Mingdong (0.91%), Mr. Liu Yi (0.21%) and 40 other individual employees (84.69%). No limited partner holds 30% or more of the partnership interests in Dechengxin.

(2) Deyuexin was established as a limited partnership under the laws of the PRC on September 8, 2022. As of the Latest Practicable Date, the general partner of Deyuexin is Mr. Zhang Guodong, holding 5.90% of its partnership interests. The remaining interests are held by the limited partners, namely Mr. Liu Yi (2.52%) and 43 other individual employees (91.58%). No limited partner holds 30% or more of the partnership interests in Deyuexin.

(3) Dezhongxin was established as a limited partnership under the laws of the PRC on September 8, 2022. As of the Latest Practicable Date, the general partner of Dezhongxin is Mr. Pan Mingdong, holding 15.58% of its partnership interests. The remaining interests are held by the limited partners, 35 other individual employees (84.42%). No limited partner holds 30% or more of the partnership interests in Dezhongxin.

(4) Delixin was established as a limited partnership under the laws of the PRC on September 9, 2022. As of the Latest Practicable Date, the general partner of Delixin is Mr. Pan Mingdong, holding 26.85% of its partnership interests. The remaining interests are held by the limited partners, namely Mr. Liu Yi (5.30%) and 31 other individual employees (67.85%). No limited partner holds 30% or more of the partnership interests in Delixin

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

Overview

	Date of Agreement(s)/ Resolution	Amount of consideration paid in connection with the equity subscription and transfers	Date of payment of full consideration[13]	Approximate cost per RMB1.0 of the registered capital paid before conversion into a joint-stock company/ per Share	Discount to the Offer Price[1]	Pre-money valuation (approximate) of our Company	Post-money valuation (approximate) of our Company[4]	Redemption Rights
Capital Injections in November 2020	November 9, 2020	RMB190 million	November 6, 2020	RMB1.00	87.17%	RMB 110,000,000	RMB 300,000,000	No
Capital Injections in January 2021	January 11, 2021	RMB100 million	February 25, 2021	RMB1.00	87.17%	RMB 300,000,000	RMB 400,000,000	No
Capital Injections in March 2021	March 30, 2021	RMB110 million	March 15, 2021	RMB1.00	87.17%	RMB 400,000,000	RMB 510,000,000	No
Capital Injections in June 2021	June 20, 2021	RMB100 million	November 30, 2023	RMB1.00	87.17%	RMB 510,000,000	RMB 610,000,000	No
Equity Transfers in June 2021	June 15, 2021	RMB15 million	June 21, 2021	RMB1.00	87.17%	RMB 610,000,000	RMB 610,000,000	No
Equity Transfers in August 2021	July 27, 2021	RMB100 million	July 30, 2021	RMB5.00	35.83%	RMB 610,000,000	RMB 3,500,000,000	Yes
Capital Injections in August 2021	July 27, 2021	RMB450 million	August 4, 2021	RMB5.00	35.83%	RMB 3,500,000,000	RMB 3,500,000,000	Yes
Equity Transfers in October 2021	September 10, 2021	RMB137 million	September 27, 2021	RMB1.85[3]	76.26%	RMB 3,500,000,000	RMB 4,273,000,006	Yes[9]
Capital Injections in October 2021	September 10, 2021	RMB423 million	October 20, 2021	RMB5.50	29.41%	RMB 4,273,000,006	RMB 4,273,000,006	Yes
Equity Transfers in April 2022	December 1, 2021	RMB115.5 million	April 15, 2022	RMB5.50	29.41%	RMB 4,273,000,006	RMB 4,273,000,006	Yes
Equity Transfers in June 2023	February 28, 2023	RMB96.45 million	June 12, 2023	RMB1.51[4]	80.62%	RMB 4,273,000,006	RMB 4,458,000,002.5	Yes[10]

	Date of Agreement(s)/ Resolution	Amount of consideration paid in connection with the equity subscription and transfers	Date of payment of full consideration[13]	Approximate cost per RMB1.0 of the registered capital paid before conversion into a joint-stock company/ per Share	Discount to the Offer Price[1]	Pre-money valuation (approximate) of our Company	Post-money valuation (approximate) of our Company[4]	Redemption Rights
Capital Injections in June 2023	February 28, 2023	RMB140 million	April 21, 2023	RMB4.16[5]	46.61%	RMB 4,458,000,002.5	RMB 4,458,000,002.5	Yes[11]
Equity Transfers in November 2023	October 13, 2023	RMB303.60 million	February 22, 2024	RMB3.12[6]	59.96%	RMB 4,458,000,002.5	RMB 4,713,839,526	Yes[12]
Capital Injections in November 2023	October 13, 2023	RMB255.84 million	November 10, 2023	RMB5.50	29.41%	RMB 4,713,839,526	RMB 4,713,839,526	Yes
Capital Injection in August 2024	July 24, 2024	RMB216 million	February 22, 2024	RMB5.50	29.41%	RMB 4,713,839,526	RMB 4,929,839,524.5	Yes
Equity Transfers in August 2025	July 3, 2025	RMB60 million	September 9, 2025	RMB4.16[7]	46.61%	RMB 4,929,839,524.5	RMB 5,274,839,526	Yes
Capital Injections in August 2025	July 3, 2025	RMB345 million	July 16, 2025	RMB5.50	29.41%	RMB 5,274,839,526	RMB 5,274,839,526	Yes
Equity Transfers in September 2025	September 30, 2025	RMB17.19 million	November 20, 2025	RMB5.73	26.46%	RMB 5,274,839,526	RMB 5,274,839,526[8]	No

(1) The discount to the Offer Price is calculated based on the foreign exchange rate as of the Latest Practicable Date and the assumption that the Offer Price is HK$9.10 per H Share (being the mid-point of the indicative Offer Price range).

(2) Post-money valuation is calculated on the basis of (a) cost per Share; and (b) the total number of Shares our Company upon completion of the relevant round of the Pre-IPO investment.

(3) The approximately cost per RMB1.0 of the registered capital stemmed from two series of equity transfers which formed part of the same round of Pre-IPO investment and were completed at or around the same time: (i) Nanjing Pukou Industry Investment (a company ultimately controlled by Ms. Wang Yuqing) agreed to transfer equity interest corresponding to RMB60 million in our registered capital to Ningtaixin and Mr. Pan, at the transfer price of RMB1.0 per RMB1.0 corresponding registered capital in our Company, and (ii) Ningtaixin agreed to transfer equity interest corresponding to RMB14 million in our registered capital to Jiangsu Jiequan, at the transfer price of RMB5.5 per RMB1.0 corresponding registered capital in our Company. The two transfers involved an aggregate of RMB74.0 million of registered capital, with aggregate consideration of RMB60.0 million and RMB77.0 million, resulting in a weighted average cost of approximately RMB1.85 per RMB1.0 of registered capital.

(4) The approximately cost per RMB1.0 of the registered capital stemmed from two series of equity transfers which formed part of the same round of Pre-IPO investment and were completed at or around the same time: (i) Nanjing Pukou Industry Investment agreed to transfer equity interest corresponding to RMB55,648,000 in our registered capital to Ningpuxin, Mr. Zhang and Mr. Pan, at the transfer price of RMB1.0 per RMB1.0 corresponding registered capital in our Company, and (ii) Mr. Zhang, Mr. Pan and Ms. Xue agreed to transfer equity interest corresponding to RMB8.16 million in our registered capital to Sumin Investment, Xianfeng Investment and Xinchao Investment, at the transfer price of RMB5.0 per RMB1.0 corresponding registered capital in our Company. The two transfers involved an aggregate of RMB63.808 million of registered capital, with aggregate consideration of RMB55.648 million and RMB40.8 million, resulting in a weighted average cost of approximately RMB1.51 per RMB1.0 of registered capital.

(5) The approximately cost per RMB1.0 of the registered capital stemmed from two series of capital injections which formed part of the same round of Pre-IPO investment and were completed at or around the same time: (i) Mr. Liu subscribed for the increased registered capital of RMB10 million, at the subscription price of RMB1.0 per RMB1.0 corresponding registered capital in our Company, and (ii) Yangzhou Longtou (a company ultimately controlled by Yangzhou Municipal People's Government), Sumin Investment and Xianfeng Investment subscribed for the increased registered capital of RMB23,636,363, at the subscription price of RMB5.5 per RMB1.0 corresponding registered capital in our Company. The two capital injections involved an aggregate increase of RMB33.636 million in registered capital, with aggregate consideration of RMB10.0 million and RMB130.0 million, resulting in a weighted average cost of approximately RMB4.16 per RMB1.0 of registered capital.

(6) The approximately cost per RMB1.0 of the registered capital stemmed from two series of equity transfers which formed part of the same round of Pre-IPO investment and were completed at or around the same time: (i) Nanjing Pukou Industry Investment agreed to transfer equity interest corresponding to RMB45,852,000 in our registered capital to Ningpuxin, Mr. Zhang, Mr. Liu and Mr. Pan, at the transfer price of RMB1.0 per RMB1.0 corresponding registered capital in our Company, and (ii) Mr. Zhang, Mr. Pan, Mr. Liu, Ningpuxin, FirstLight Hongtong, Xinlianxin, Mr. Song, Ms. Wang Ye, Ms. Wang and Pingtan Qiange agreed to transfer equity interest corresponding to RMB51,550,000 in our registered capital to Xinxiang Rongcheng, Kunde Partnership, Azure VC, Qixin Yuanchuang, Jiaxing Haoqi, Longcheer Technology, Gaintech, Mr. Wang Xinchao and Ningbo Chentong, at the transfer price of RMB5.0 per RMB1.0 corresponding registered capital in our Company. The two transfers involved an aggregate of RMB97.402 million of registered capital, with aggregate consideration of RMB45.852 million and RMB257.75 million, resulting in a weighted average cost of approximately RMB3.12 per RMB1.0 of registered capital.

(7) The approximately cost per Share stemmed from two equity transfers which formed part of the same round of Pre-IPO investment and were completed at or around the same time: (i) Shenzhen Gongchuang agreed to transfer equity interest corresponding to RMB5,681,818 in our registered capital to Huaye Xuchuang, at the transfer price of RMB4.4 per RMB1.0 corresponding registered capital in our Company, and (ii) Ningpuxin agreed to transfer equity interest corresponding to RMB8.75 million in our registered capital to Yuanhe Puhua, at the transfer price of RMB4.0 per RMB1.0 corresponding registered capital in our Company. The two transfers involved an aggregate of RMB14.432 million of registered capital, with aggregate consideration of RMB25.0 million and RMB35.0 million, resulting in a weighted average cost of approximately RMB4.16 per RMB1.0 of registered capital.

(8) The equity transfers in September 2025 were completed at a post-money valuation of RMB5,274,839,526. The increase in the valuation of our Company from the equity transfers in September 2025 to the expected market capitalisation upon Listing is primarily attributable to the progress made across our overall business operations. Such progress includes, but is not limited to (i) the continued growth in our sales volume and revenue; (ii) the improvement in our overall business operations and financial performance during the relevant period, which has enhanced investor confidence in our Company's growth prospects; and (iii) the anticipated liquidity and marketability premium typically associated with a listed status.

(9) Nanjing Pukou Industry Investment transferred 4.51% and 3.22% of the equity interest in our Company to Ningtaixin and Mr. Pan, respectively, at an aggregate consideration of RMB60 million, with no redemption right granted to Ningtaixin or Mr. Pan in respect of such equity transfer.

(10) Nanjing Pukou Industry Investment transferred 3.70%, 2.31% and 0.86% of the equity interest in our Company to Ningbo Meishan Bonded Port Area Ningpuxin Enterprise Management Partnership Enterprise (Limited Partnership)* (寧波梅山保税港區寧浦芯企業管理合夥企業(有限合夥)) ("**Ningpuxin**"), Mr. Zhang and Mr. Pan, respectively, at a total consideration of RMB55,648,000.00, with no redemption right granted to Ningpuxin, Mr. Zhang or Mr. Pan in respect of such equity transfer.

(11) Mr. Liu Yi (劉怡) ("**Mr. Liu**") subscribed for a registered capital of RMB10,000,000 in our Company at a consideration of RMB10,000,000, with no redemption right granted to Mr. Liu in respect of such subscription.

(12) Nanjing Pukou Industry Investment transferred 4.38%, 0.47%, 0.30% and 0.20% of the equity interest in our Company to Ningpuxin, Mr. Zhang, Mr. Liu and Mr. Pan, respectively, at a total consideration of RMB45,852,000.00, with no redemption right granted to Ningpuxin, Mr. Zhang, Mr. Liu or Mr. Pan in respect of such equity transfer. Separately, Pingtan Qiange transferred 0.47% of the equity interest to Ningbo Chentong at a consideration of RMB20 million. The redemption right originally attached to such equity interest was transferred together with the equity interest to Ningbo Chentong, and no new redemption right was separately granted to Ningbo Chentong in respect of such equity.

(13) The date of payment of full consideration represents the latest date by which the full consideration was paid by each investor in respect of each category.

Basis of determination of the valuation and consideration

The valuation and considerations for each round of Pre-IPO Investments were determined based on arm's length negotiation amongst the respective Pre-IPO Investors and our Company after taking into consideration of the status of our business operations and product development. Other factors were also taken into account in the determination of the consideration including but not limited to (i) the investment risk assumed by the relevant Pre-IPO Investors under the market conditions at the time of the relevant investments and (ii) the strategic benefits which would be brought by the Pre-IPO Investors to our Group as described below.

Lock-up period

Under the applicable PRC laws, all existing Shareholders (including the Single Largest Group of Shareholders) are subject to a lock-up period of 12 months following the Listing Date. Our Single Largest Group of Shareholders have voluntarily entered into a lock-up undertaking letter ("**Lock-up Undertaking Letter**"), committing to: (i) extending the lock-up period for their Unlisted Shares to three years; and (ii) extending the lock-up period for their H Shares to two years.

Pursuant to the Lock-up Undertaking Letter, in addition to the lock-up periods, the H Shares held by the Single Largest Group of Shareholders upon listing are also subject to a phased unlocking arrangement. Specifically, up to 60% of the aforesaid H Shares may be unlocked and transferred commencing from the first trading day following the second anniversary of the Listing Date until the day before the third anniversary. All remaining H Shares may be unlocked and may be freely transferable from the first trading day following the third anniversary of the Listing Date.

Use of proceeds

We utilized the proceeds from our Pre-IPO Investors to support, among others, the R&D activities of our Group, including packaging technology development, packaging process optimization, and the procurement of key manufacturing equipment. As of the Latest Practicable Date, the amount of proceeds from our Pre-IPO Investors that had not been utilized was approximately 4.39% of all the proceeds from our Pre-IPO Investors. The remaining proceeds will mainly be used to support the R&D activities and the business operations of our Group.

Strategic benefits to our Company

At the time of the Pre-IPO Investments, the Directors were of the view that (i) our Company would benefit from the additional capital provided by the Pre-IPO Investors and their market influence, knowledge and experience and (ii) the Pre-IPO Investments demonstrated the Pre-IPO Investors' confidence in the operation and development of our Group.

Special Rights of the Pre-IPO Investors

In connection with the pre-IPO investments, certain investors (the "**Pre-IPO Investors**") entered into a series of shareholders' agreements (the "**Shareholders' Agreement**") with our Company and the existing shareholders, which set out a series of shareholders' special rights and obligations. Certain Pre-IPO Investors have been granted certain special rights in relation to our Company, including, among others, transfer restrictions, pre-emptive rights, redemption rights, drag-along rights, liquidation preference rights, most-favored-nation clause, anti-dilution rights, board composition, shareholders' meeting, and information rights. To facilitate our proposed listing on the Hong Kong Stock Exchange, the Company and all shareholders entered into a supplemental agreement ("**Supplemental Agreement**") dated October 13, 2025 to amend and terminate the relevant provisions of the Shareholders' Agreement so as to ensure compliance with the Listing Rules and relevant PRC laws and regulations.

Pursuant to the Supplemental Agreement, these special rights were adjusted. All such special rights, including those relating to transfer restrictions, pre-emptive rights, co-sale rights, drag-along rights, liquidation preference, most-favored-nation clauses, anti-dilution protection, board composition (excluding observer rights), shareholders' meetings and information rights, shall be automatically terminated upon the completion of the Company's listing and will not be reinstated thereafter.

The redemption rights and board observer rights shall be terminated immediately before the date of our first submission of listing application to the Stock Exchange, provided that such termination is automatically reversed, and the rights are restored, if (i) the application is rejected, returned, terminated by the Stock Exchange and/or the CSRC; (ii) withdrawn by the Company; or (iii) our Company fails to complete its listing on the Stock Exchange by December 31, 2028 nor in the stage of formally submitting an application for listing to the Stock Exchange (including resubmitting the application).

Compliance with the Guide

On the basis that (i) the consideration for the Pre-IPO Investments was settled no less than 120 clear days before the Listing Date, and (ii) the termination of special rights granted to the Pre-IPO Investors as disclosed in "Special Rights of the Pre-IPO Investors" above, the Sole Sponsor confirms that the Pre-IPO Investments are in compliance with Chapter 4.2 of the Guide for New Listing Applicants.

Information about our Pre-IPO Investors

Xinlianxin

Xinlianxin is a limited partnership established in the PRC on September 8, 2020, and it is ultimately controlled by its general partner, Chen Yigao (陳一杲), an Independent Third Party holding approximately 27.04% of the partnership interest. As of the Latest Practicable Date, Xinlianxin had 12 limited partners, all of them are Independent Third Parties. The major limited partners included Mr. Chen Hong (陳宏), who held approximately 17.51% of the partnership interest; Mr. Meng Zaifan (蒙在凡), who held approximately 11.67%; and Mr. Hu Yang* (胡楊), Mr. Chen Huanyin (陳歡銀), Ms. An Qingyun (安青雲), Mr. Guo Qiang (郭強), and Mr. Wang Yifei (王逸飛), who each held approximately 5.84%. Xinlianxin is primarily engaged in enterprise management consulting and socioeconomic consulting services. Xinlianxin is an Independent Third Party and is independent of the other Pre-IPO Investors.

Nanjing Yuanjun

Nanjing Yuanjun is a limited partnership established in the PRC on September 8, 2020, and it is ultimately controlled by its general partner, Mr. Jiang Hai* (蔣海), an Independent Third Party holding approximately 8.00% of the partnership interest. Nanjing Yuanjun had nine limited partners, all of them are Independent Third Parties. Major limited partners included Mr. Xu Jian* (徐健), Mr. Li Wenyong* (李文勇), and Mr. Wang Kangbing* (王康兵), each holding approximately 20.00% of the partnership interest; Mr. Wang Xiangguo* (王相國), holding approximately 10.00%; Mr. Yu Bin* (於斌), holding approximately 8.25%; and Ms. Yang Lizhu* (楊麗珠), holding approximately 5.00%. Nanjing Yuanjun is primarily engaged in enterprise management consulting, information consulting services, and socioeconomic consulting. Nanjing Yuanjun is an Independent Third Party and is independent of the other Pre-IPO Investors.

Entities controlled by Liu Xiaodan

(i) FirstLight Hongtong

FirstLight Hongtong is a limited partnership established in the PRC on December 14, 2020. As of the Latest Practicable Date, its general partner was FirstLight Hongqi (Beijing) Consulting Co., Ltd.* (晨壹紅啟(北京)諮詢有限公司) (the "**FirstLight Hongqi**"), which held approximately 1.27% of the partnership interest. FirstLight Hongqi was wholly owned and controlled by FirstLight Fund Management (Beijing) Co., Ltd.* (晨壹基金管理(北京)有限公司) ("**FirstLight Beijing**") which was ultimately controlled by Liu Xiaodan (劉曉丹), an Independent Third Party. As of the Latest Practicable Date, FirstLight Hongtong had two limited partners. Beijing FirstLight M&A Fund (Limited Partnership)* (北京晨壹併購基金(有限合夥)) held approximately 88.61% of the partnership interest and was ultimately controlled by Liu Xiaodan (劉曉丹) through Firstlight Hongqi. Yangzhou Xinfeng Equity Investment Partnership (Limited Partnership)* (揚州芯灃股權投資合夥企業(有限合夥)) held approximately 10.13% and was ultimately controlled by Qiao Fei (喬菲), an Independent Third Party. FirstLight Hongtong is primarily engaged in equity investment and investment consulting services. All of the aforesaid partners are Independent Third Parties.

(ii) FirstLight Growth

FirstLight Growth is a limited partnership established in the PRC on June 17, 2021, and as of the Latest Practicable Date its general partner was Wuxi FirstLight Chengqi Consulting Management Partnership (Limited Partnership)* (無錫晨壹成啟諮詢管理合夥企業(有限合夥)) (the "**Wuxi FirstLight Chengqi**"). Wuxi FirstLight Chengqi was owned as to approximately 87.5% by Jiaxing Tongying Equity Investment Co., Ltd.* (嘉興彤盈股權投資有限公司). FirstLight Growth was ultimately controlled by FirstLight Beijing which was ultimately controlled by Liu Xiaodan (劉曉丹). No other partners hold more than 30.00% partnership interests of Wuxi FirstLight Chengqi. As of the Latest Practicable Date, FirstLight Growth had multiple limited partners, among which major limited partners included (i) Sunshine Life Insurance Co., Ltd.* (陽光人壽保險股份有限公司), which held approximately 20% of partnership interest in FirstLight Growth; (ii) Taikang Life Insurance Co., Ltd.* (泰康人壽保險有限責任公司), which held approximately 9.87% of partnership interest in FirstLight Growth; (iii) Ms. Yu Xiuyuan (于秀媛) held approximately 6.58% of partnership interest in FirstLight Growth; (iv) Jiaxing FirstLight Baiying Equity Investment Partnership (Limited Partnership)* (嘉興晨壹佰贏股權投資合夥企業(有限合夥)), which held approximately 6.58% of partnership interest in FirstLight Growth; (v) Wuxi High-tech Zone New Kinetic Energy Industry Development Fund (Limited Partnership)* (無錫高新區新動能產業發展基金(有限合夥)), which held approximately 6.58% of partnership interest in FirstLight Growth; (vi) Jiangxi State-owned Capital Operation Holding Group Co., Ltd.* (江西省國有資本運營控股集團有限公司), which held approximately 6.58% of partnership interest in FirstLight Growth; (vii) Suzhou Industrial Park Yuanyuan Dingsheng Equity Investment Partnership (Limited Partnership)* (蘇州工業園區元禾鼎盛股權投資合夥企業(有限合夥)), which held approximately 6.58% of partnership interest in FirstLight Growth. FirstLight Growth is mainly engaged in equity investment, investment management, asset management and other activities through private equity funds; venture capital (limited to investment in unlisted enterprises); equity investment; investment activities with own funds; and asset management services with self-owned funds investment. All of the aforesaid partners are Independent Third Parties.

Jiaxing Taiying

Jiaxing Taiying is a limited partnership established in the PRC on April 17, 2020. Its general partner is Hainan Hongde Ruilian Consulting Management Co., Ltd.* (海南弘德瑞聯諮詢管理有限公司) (the "**Hainan Hongde Ruilian**"), which held approximately 16.16% of the partnership interest and its ultimate beneficial owner is Mr. Chen Zhijie (陳志傑). Hainan Hongde Ruilian is wholly owned by Huashan Ruilian Fund Management Co., Ltd.* (華杉瑞聯基金管理有限公司).

As of the Latest Practicable Date, Jiaxing Taiying had nine limited partners. Mr. Kong Xiaoming (孔曉明) was the largest limited partner, holding approximately 30.30% of the partnership interest; other major limited partners included Mr. Zhang Tong (章童) (holding approximately 18.18%), Mr. Chen Zhijie (陳志傑) (holding approximately 14.14%), and Ms. Tang Junli (唐君麗) (holding approximately 6.06%). Jiaxing Taiying is primarily engaged in equity investment and related consulting services. All of the aforesaid partners are Independent Third Parties.

Shenzhen Gongchuang

Shenzhen Gongchuang is a limited partnership established in the PRC on February 19, 2021. Its general partner is Haikou Huaye Tiancheng Consulting Services Partnership (Limited Partnership)* (深圳華業天成諮詢服務合夥企業(有限合夥)) (the "**Shenzhen Huaye Tiancheng**"), which held approximately 0.03% of the partnership interest. As of the Latest Practicable Date, Shenzhen Huaye Tiancheng's general partner was Shenzhen Huaye Tiancheng Investment Co., Ltd.* (深圳華業天成投資有限公司), which held approximately 1.00% of the partnership interest. Shenzhen Huaye Tiancheng is ultimately controlled by Mr. Sun Yelin (孫業林).

As of the Latest Practicable Date, Shenzhen Gongchuang had seven limited partners. Shenzhen Future Co-creation Investment Partnership Enterprise (Limited Partnership)* (深圳共創未來投資合夥企業(有限合夥)) was the largest limited partner, holding approximately 39.99% of the partnership interest; Mr. Cong Xuenian* (叢學年) held approximately 19.99%; Mr. Gao Weimin* (高衛民) held approximately 13.33%; Ms. Yang Huijun* (楊惠鈞) held approximately 10.00%; Mr. Ren Wenze* (任文澤) and Mr. Yang Huajun* (楊華君) each held approximately 6.66%; and Ms. Li Mingfang* (李明芳) held approximately 3.33%. Shenzhen Gongchuang is primarily engaged in investment consulting, information technology consulting, venture capital investment, and investment in industrial enterprises. All of the aforesaid partners are Independent Third Parties.

Mr. Song Lin

Mr. Song Lin is an Independent Third Party with extensive experience in equity investment. Her investment targets include SandTek Semiconductor Technology (Shanghai) Co., Ltd.* (勝達克半導體科技(上海)股份有限公司) and Silicon Exceed Semiconductor Technology (Jiangsu) Co., Ltd.* (矽佳半導體科技(江蘇)股份有限公司), among others. As of the Latest Practicable Date, she was the Chairman of the board of directors of Shanghai Xinpeng Industrial Co., Ltd.* (上海新朋實業股份有限公司), holding approximately 34.34% of the company's equity interest. Additionally, she is the executive director of Shanghai Zhuzhe Industrial Co., Ltd.* (上海茱澤實業有限公司), holding 50.00% of its equity interest.

Mr. Zhu Jinqiang

Mr. Zhu Jinqiang is an Independent Third Party. He serves as the executive director and general manager of Shanghai Huiyue Investment Management Co., Ltd. (上海匯越投資管理有限公司), holding 66.67% of its equity interest. Additionally, he holds 100% of the equity interest in Shanghai Qiangyi Management Consulting Center (上海薔宜管理諮詢中心) and 50% in Shanghai Houjie Information Technology Partnership (Limited Partnership)* (上海厚傑信息技術合夥企業(有限合夥)).

Ms. Zheng Yuying

Ms. Zheng Yuying is an Independent Third Party with a diverse portfolio across private equity, venture capital, and industrial sectors. As of the Latest Practicable Date, she held 12.68% of the partnership interest in Shanghai Jinpu Emerging Industry Equity Investment Partnership (Limited Partnership) (上海金浦新興產業股權投資合夥企業(有限合夥)) and 18.63% in Nanjing Jinpu Xinchao Jixiang Venture Capital Partnership (Limited Partnership) (南京金浦新潮吉祥創業投資合夥企業(有限合夥)). Additionally, she served as the executive director and held 60% of the equity interest in Tonglu Yulong Industrial Co., Ltd.* (桐廬玉龍實業有限公司), a company primarily engaged in commercial services.

Entities controlled by Mr. Wang Xinchao

Mr. Wang Xinchao* (王新潮) is an Independent Third Party with extensive experience in equity investment. His investment targets include Jiangyin Xinchao Enterprise Management Co., Ltd.* (江陰欣潮企業管理有限公司) and Jiangsu Xinchao Innovation Investment Group Co., Ltd.* (江蘇新潮創新投資集團有限公司), among others. He serves as the Executive Director of Jiangyin Youjian Quality Technical Service Co., Ltd.* (江陰優檢質量技術服務有限公司), holding 51% of the company's equity interest. Additionally, he is the main partner of Jiangyin Xinchao Enterprise Management Center (Limited Partnership)* (江陰新潮企業管理中心(有限合夥)), holding 55% of the partnership interest in it.

(i) Xinchao Investment

Xinchao Investment is a limited liability company established in the PRC on September 7, 2000. Its legal representative is Mr. Wang Xinchao (王新潮). As of the Latest Practicable Date, Mr. Wang Xinchao was its largest shareholder and ultimate beneficial owner, holding approximately 69.82% of the equity interest; other major shareholders included Mr. Pan Xiaoying (潘小英) (approximately 3.78%), Mr. Wang Dexiang (王德祥) (approximately 1.84%), Mr. Zhang Fengchu (張鳳雛) (approximately 1.76%), and Mr. Feng Xisheng (馮錫生) (approximately 1.54%). Xinchao Investment is primarily engaged in equity investment, venture capital investment, and related consulting services in semiconductor and technology sectors. All of the aforesaid shareholders are Independent Third Parties.

(ii) Xinchao Chenguang

Xinchao Chenguang is a limited partnership established in the PRC on March 31, 2021. As of the Latest Practicable Date, Xinchao Chenguang is ultimately controlled by its general partner, Jiangsu Xinchao Innovation Investment Group Private Fund Management Co., Ltd.* (江蘇新潮創新投資集團私募基金管理有限公司) (the "**Jiangsu Xinchao Private Fund Management**"), which held approximately 0.10% of the partnership interest. Jiangsu Xinchao Private Fund Management is wholly owned by Jiangyin Xinchao Enterprise Management Co., Ltd.* (江陰欣潮企業管理有限公司).

As of the Latest Practicable Date, Xinchao Chenguang had 10 limited partners. Xinchao Investment was the largest limited partner, holding approximately 29.29% of the partnership interest; Shenzhen Hanbang Enterprise Investment Center (Limited Partnership)* (深圳漢邦企業投資中心(有限合夥)) held approximately 22.78%; and Shanghai Hanyudong held approximately 13.02%. Xinchao Chenguang is primarily engaged in venture capital investment and equity investment. All of the aforesaid partners are Independent Third Parties.

Xinchao Jixiang

Xinchao Jixiang is a limited partnership established in the PRC on December 23, 2020. As of the Latest Practicable Date, its general partner was Jinpu Xinchao Investment Management (Shanghai) Co., Ltd. (金浦新潮投資管理(上海)有限公司) (the "**Jinpu Xinchao Investment Management**"), which held approximately 0.10% of the partnership interest. Jinpu Xinchao Investment Management was 30% owned by Jinpu Industrial Investment Fund Management Co., Ltd.* (金浦產業投資基金管理有限公司) which was ultimately controlled by Shanghai Municipal State-owned Assets Supervision and Administration Commission (上海市人民政府國有資產監督管理委員會) (the "**Shanghai SASAC**") and 30% by Jiangyin Xinchao Enterprise Management Co., Ltd.* (江陰欣潮企業管理有限公司) which was ultimately controlled by Wang Xinchao (王新潮). Jinpu Xinchao Investment Management is ultimately controlled by Shanghai SASAC.

As of the Latest Practicable Date, Xinchao Jixiang had six limited partners. Xinchao Investment and Shanghai Hanyudong Investment Co., Ltd. (上海瀚娛動投資有限公司) ("**Shanghai Hanyudong**") were the largest limited partners, each holding approximately 29.81% of the partnership interest; Nanjing Yangtze River Innovation and Venture Investment Fund (Limited Partnership) (南京揚子江創新創業投資基金(有限合夥)) held approximately 14.91%; Ms. Zheng Yuying (鄭玉英) held approximately 18.63%. Xinchao Jixiang is primarily engaged in equity investment and venture capital investment (limited to investment in unlisted enterprises). All of the aforesaid shareholders and partners are Independent Third Parties.

Ningbo Chentong

Ningbo Chentong is a limited partnership established in the PRC on August 7, 2020. As of the Latest Practicable Date, its general partner was Shanghai Chentao Asset Management Co., Ltd.* (上海辰韜資產管理有限公司) (the "**Shanghai Chentao Asset Management**"), which held approximately 1.00% of the partnership interest. Shanghai Chentao Asset Management was 51.20% owned by Ms. Xu Haiying* (徐海英), its ultimate beneficial owner, and 48.80% by Mr. Lin Xinzheng* (林新正).

As of the Latest Practicable Date, Ningbo Chentong had seven limited partners. Major limited partners included Ningbo Meishan Bonded Port Area Baotong Chentao Venture Capital Partnership (Limited Partnership)* (梅山保稅港區寶通辰韜創業投資合夥企業(有限合夥)), holding approximately 61.29% of the partnership interest; and Ms. Liu Dongmei* (劉冬梅), holding approximately 17.14%. Ningbo Chentong is primarily engaged in venture capital investment (limited to investment in unlisted enterprises) and related activities. All of the aforesaid partners and shareholders are Independent Third Parties.

Shanghai Quanqi

Shanghai Quanqi is a limited partnership established in the PRC on February 26, 2020. As of the Latest Practicable Date, its general partner was Shanghai Shenghe Enterprise Management Center (Limited Partnership)* (上海晟闔企業管理中心(有限合夥)) (the "**Shanghai Shenghe**"), which held approximately 0.01% of the partnership interest. Shanghai Shenghe was 90.01% owned by Jiaxing Haomei Equity Investment Partnership (Limited Partnership)* (嘉興皓美股權投資合夥企業(有限合夥)) and 9.99% by Shanghai Jiayuezhang Management Consulting Co., Ltd.* (上海嘉躍章管理諮詢有限公司), its general partner, which is ultimately controlled by Shanghai Guoce Investment Management Co., Ltd.* (上海國策投資管理有限公司).

As of the Latest Practicable Date, Shanghai Quanqi had two limited partners. Shanghai Guoce Green Technology Manufacturing Private Investment Fund Partnership (Limited Partnership)* (上海國策綠色科技製造私募投資基金合夥企業(有限合夥)) and Shanghai Guoce Technology Manufacturing Equity Investment Fund Partnership (Limited Partnership)* (上海國策科技製造股權投資基金合夥企業(有限合夥)) each held approximately 49.995% of the partnership interest. Shanghai Quanqi is primarily engaged in enterprise management consulting and organizing cultural and artistic exchange activities. All of the aforesaid partners are Independent Third Parties.

Changtuoshi VC

Changtuoshi VC is a limited partnership established in the PRC on May 26, 2021. Its general partner is Guangdong Changshi Venture Capital Partnership (Limited Partnership)* (廣東長石創業投資合夥企業(有限合夥)) (the "**Guangdong Changshi Venture Capital**"), which held approximately 0.19% of the partnership interest. Guangdong Changshi Venture Capital is 90.00% owned by its general partner, Hainan Changqin Shi Enterprise Management Consulting Partnership (Limited Partnership)* (海南長勤石企業管理諮詢合夥企業(有限合夥)), which is ultimately controlled by Mr. Ding Zhongmin (丁忠民).

Major limited partners of Changtujoshi VC include Mr. Wu Jingsheng, holding approximately 10.71% of the partnership interest; Mr. Yao Lisheng, Shanghai Yutang Industrial Co., Ltd. (上海裕唐實業有限公司), and Dongguan Science and Technology Innovation Investment Group Co., Ltd. (東莞科技創新投資集團有限公司), each holding approximately 9.56%. Changtuoshi VC is primarily engaged in venture capital investment (limited to investment in unlisted enterprises). All of the aforesaid partners are Independent Third Parties.

Xiaomi Changjiang

Xiaomi Changjiang is a limited partnership established in the PRC on December 7, 2017 and its general partner is Hubei Xiaomi Changjiang Industrial Investment Fund Management Co., Ltd.* (湖北小米長江產業投資基金管理有限公司) (the "**Xiaomi Management**"), who held approximately 0.08% of the partnership interest. Xiaomi Management was owned as to approximately 80% by Xiaomi Industrial Investment Management Co., Ltd.* (小米產業投資管理有限公司). No other shareholders hold more than 30.00% shares of Xiaomi Management. As of the Latest Practicable Date, Xiaomi Changjiang had 15 limited partners, none of which holds more than 30% partnership interest of Xiaomi Changjiang. Xiaomi Changjiang is ultimately controlled by Mr. Lei Jun (雷軍). Xiaomi Changjiang is mainly engaged in equity investment. All of the aforesaid partners and shareholders are Independent Third Parties.

Entities controlled by Jiangsu Private Investment

(i) Sumin Investment

Sumin Investment is a limited partnership established in the PRC on July 1, 2020. As of the Latest Practicable Date, its general partner was Sumin Kaiyuan Wuxi Investment Co., Ltd. (蘇民開源無錫投資有限公司) (the "**Sumin Kaiyuan**"), which held approximately 1.10% of the partnership interest. Sumin Kaiyuan was wholly owned and ultimately controlled by Jiangsu Private Investment Holding Co., Ltd.* (江蘇民營投資控股有限公司) ("**Jiangsu Private Investment**"). Jiangsu Private Investment is owned as to 34.70% by Wuxi Sumin Lihua Enterprise Management Co., Ltd. (無錫蘇民利華企業管理有限公司) and 32.75% by Wuxi Sumin Yuehe Enterprise Management Co., Ltd. (無錫蘇民悦合企業管理有限公司), each of which is a wholly owned subsidiary of Jiangsu Private Investment and an independent third party. Except for China Minsheng Investment Co., Ltd. (中國民生投資股份有限公司), aninvestmentfirmholding10.00% equity interest in Jiangsu Private Investment, none of other 13 shareholders of Jiangsu Private Investment holds more than 10.00% equity interest in Jiangsu Private Investment.

As of the Latest Practicable Date, Sumin Investment had two limited partners. Nanjing Sumin Tou Ruicheng Equity Investment Partnership (Limited Partnership) (南京蘇民投睿晟股權投資合夥企業(有限合夥)) was the largest limited partner, holding approximately 65.75% of the partnership interest; Sumin Wuxi Intelligent Manufacturing Industrial Investment Development Partnership (Limited Partnership) (蘇民無錫智能製造產業投資發展合夥企業(有限合夥)) held approximately 33.14%. Sumin Investment is primarily engaged in equity investment and venture capital investment (limited to investment in unlisted enterprises). All of the aforesaid partners and shareholders are Independent Third Parties.

(ii) Xianfeng Investment

Xianfeng Investment is a limited partnership established in the PRC on April 24, 2018, managed by Sumin Kaiyuan as its general partner and is ultimately controlled by Jiangsu Private Investment, who is also the ultimate beneficial owner of Sumin Investment. As of the Latest Practicable Date, Xianfeng Investment had multiple limited partners, among which major limited partners included: (i) Mr. Yu Bo (于波) held approximately 17.33% of partnership interest in Xianfeng Investment; (ii) Wuxi Junzhe Enterprise Management Co., Ltd. (無錫均喆企業管理有限公司) held approximately 20.00% of partnership interest in Xianfeng Investment; (iii) Wuxi Junwei Enterprise Management Co., Ltd. (無錫均維企業管理有限公司) held approximately 5.47% of partnership interest in Xianfeng Investment; (iv) Mr. Yin Feihong (尹飛虹) held approximately 5.33% of partnership interest in Xianfeng Investment; (v) Mr. Wang Haobing (王皓冰) held approximately 20% of partnership interest in Xianfeng Investment. Xianfeng Investment is mainly engaged in external investments with its own funds. All of the aforesaid partners are Independent Third Parties.

Sumin Fengfan

Sumin Fengfan is a limited liability company established in the PRC on September 11, 2025, and as of the Latest Practicable Date, it was 100% owned by Jiangsu Huazhonghui Information Technology Co., Ltd. (江蘇華眾慧信息技術有限公司), and was ultimately controlled by Mr. Qian Honghong (錢洪洪). All of the aforesaid shareholders are Independent Third Parties.

Jiangsu Jiequan

Jiangsu Jiequan is a limited partnership established in the PRC on December 26,2019, and its general partner is Wuxi Junhai Xinxin Investment Consulting Co., Ltd.* (無錫君海新芯投資諮詢有限公司) (the "**Wuxi Junhai Xinxin**"). Wuxi Junhai Xinxin is 100% owned by Wuxi Junhai Lianxin Investment Management Co., Ltd.* (無錫君海聯芯投資管理有限公司), and ultimately controlled by Mr. Chen Hao (陳浩), Mr. Li Jiaqing (李家慶), Mr. Zhu Linan (朱立南), Mr. Wang Nengguang (王能光) and SK Inc. As of the Latest Practicable Date, Jiangsu Jiequan had eight limited partners, including (i) SK Hynix (Wuxi) Investment Co., Ltd.* (SK海力士(無錫)投資有限公司), which held approximately 36.53% of partnership interest in Jiangsu Jiequan; (ii) Nanjing Pukou Zhisi Integrated Circuit Industry Fund Partnership (Limited Partnership)* (南京浦口智思集成電路產業基金合夥企業(有限合夥)), which held approximately 12.18% of partnership interest in Jiangsu Jiequan; (iii) Wuxi High-tech Zone New Kinetic Energy Industry Development Fund (Limited Partnership)* (無錫高新區新動能產業發展基金(有限合夥)), which held approximately 12.18% of partnership interest in Jiangsu Jiequan; (iv) Jiangsu Jiequan Taihu Guolian Emerging Growth Industry Investment Enterprise (Limited Partnership)* (江蘇聿泉太湖國聯新興成長產業投資企業(有限合夥)), which held approximately 12.18% of partnership interest in Jiangsu Jiequan; (v) Jiangsu Provincial Government Investment Fund (Limited Partnership)* (江蘇省省政府投資基金(有限合夥)), which held approximately 12.18% of partnership interest in Jiangsu Jiequan; (vi) CITIC Wealth Management Co., Ltd.* (信銀理財有限責任公司), which held approximately 7.67% of partnership interest in Jiangsu Jiequan; (vii) Beijing Junlian Venture Capital Center (Limited Partnership)* (北京君聯創業投資中心(有限合夥)), which held approximately 3.04% of partnership interest in Jiangsu Jiequan; (viii) Lhasa Xindao Venture Capital Co., Ltd.* (拉薩欣導創業投資有限公司), which held approximately 3.04% of partnership interest in Jiangsu Jiequan. Jiangsu Jiequan is mainly engaged in equity investment and investment management. All of the aforesaid individuals and entities are Independent Third Parties.

Xunxing Investment

Xunxing Investment is a limited company incorporated in the PRC on May 10, 2021 and is mainly engaged in investing in the mobile phone industry chain field, the mobile Internet industry chain field, high-tech and high-end manufacturing fields, etc. with its own funds. As of the Latest Practicable Date, Xunxing Investment was owned as to 100% by Guangdong OPlus Holdings Co., Ltd.* (廣東歐加控股有限公司) (the "**Guangdong OPlus**"), with a registered share capital of RMB100 million. Guangdong OPlus was owned as to approximately 65.85% by the Labor Union Committee of Guangdong OPlus Holdings Co., Ltd.* (廣東歐加控股有限公司工會委員會) and 33.65% by Glory Hill Holdings Limited* (高耀集團有限公司). The ultimate beneficial owner of Xunxing Investment is Mr. Chen Mingyong (陳明永). No other shareholders hold more than 30.00% shares of Guangdong OPlus. All of the aforesaid entities are Independent Third Parties.

Huaye High Tech

Huaye High Tech is a limited partnership established in the PRC on June 3,2019, and its general partners and ultimate beneficial owners are Shenzhen Hengxin Huaye Equity Investment Fund Management Co., Ltd.* (深圳市恒信華業股權投資基金管理有限公司) (the "**Shenzhen Hengxin Huaye**") and Liuyang Gaoxin Private Equity Fund Management Co., Ltd.* (瀏陽高鑫私募股權基金管理有限公司). As of the Latest Practicable Date, Shenzhen Hengxin Huaye was owned as to approximately 45% by Mr. Wu Hao (吳昊), and approximately 35% by Ms. Chen Ying (陳纓). No other shareholders hold more than 30.00% shares of Shenzhen Hengxin Huaye Equity Investment Fund Management Co., Ltd. As of the Latest Practicable Date, Huaye High Tech had multiple limited partners, among which major limited partners included (i) Fujian Funuo Venture Capital Partnership (Limited Partnership)* (福建省福諾創業投資合夥企業(有限合夥)), which held approximately 36.46% of partnership interest in Huaye High Tech; (ii) Hunan Jinyang Investment Group Co., Ltd.* (湖南金陽投資集團有限公司), which held approximately 34.00% of partnership

interest in Huaye High Tech; (iii) Pingtan Huaye Jujiao No. 2 Equity Investment Partnership (Limited Partnership)* (平潭華業聚焦二號股權投資合夥企業(有限合夥)), which held approximately 15.31% of partnership interest in Huaye High Tech; (iv) Pingtan Hengrui No. 4 Information Consulting Partnership (Limited Partnership)* (平潭恒睿四號信息諮詢合夥企業(有限合夥)), which held approximately 5.47% of partnership interest in Huaye High Tech. Huaye High Tech is mainly engaged in non-listed equity investment activities and related consulting services. All of the aforesaid individuals and entities are Independent Third Parties.

Hengrui No. 6

Hengrui No. 6 is a limited partnership established in the PRC on September 10, 2021, and its general partner is Hainan Hengxin Future Private Fund Management Partnership (Limited Partnership)* (海南恒信未來私募基金管理合夥企業(有限合夥)) (the "**Hainan Hengxin Future**"). As of the Latest Practicable Date, Hainan Hengxin Future was owned as to approximately 99% by Hainan Jujiao No. 1 Consulting Partnership (Limited Partnership)* (海南聚焦一號諮詢合夥企業(有限合夥)) and 1% by its general partner, Hainan Hengye Investment Co., Ltd* (海南恒曄投資有限公司), which is ultimately controlled by Mr. Wu Hao (吳昊). Hengrui No. 6 had multiple limited partners, including (i) Mr. Yuan Dezong (袁德宗), which held approximately 32.31% of partnership interest in Hengrui No. 6; (ii) Jiading Venture Capital (Pingtan) Partnership (Limited Partnership)* (嘉鼎創業投資(平潭)合夥企業(有限合夥)), which held approximately 16.15% of partnership interest in Hengrui No. 6; (iii) Mr. Cao Yang (曹陽), which held approximately 16.15% of partnership interest in Hengrui No. 6; (iv) Ms. Qu Ying (瞿穎), which held approximately 16.15% of partnership interest in Hengrui No. 6; (v) Mr. Jiang Wenwei (蔣文衛), which held approximately 16.15% of partnership interest in Hengrui No. 6. Hengrui No. 6 is mainly engaged in activities such as equity investment, investment management, and asset management through private equity funds; financial consulting; enterprise management consulting; and social and economic consulting services. All of the aforesaid individuals and entities are Independent Third Parties.

Xianghe Yongjun

Xianghe Yongjun is a limited partnership established in the PRC on September 15, 2020, and its general partner is Shanghai Yongxin Enterprise Management Partnership (Limited Partnership)* (上海涌心企業管理合夥企業(有限合夥)) (the "**Shanghai Yongxin**"). As of the Latest Practicable Date, Shanghai Yongxin was owned as to approximately 50% by Shanghai Yonghua Investment Management Co., Ltd.* (上海涌鏵投資管理有限公司). No other shareholders hold more than 30.00% shares of Shanghai Yongxin Enterprise Management Partnership (Limited Partnership). Xianghe Yongjun had multiple limited partners, among which major limited partners included (i) Yongjin Investment Holding Co., Ltd.* (涌金投資控股有限公司), which held approximately 23.81% of partnership interest in Xianghe Yongjun; (ii) Ms. Chen Jinxia (陳金霞), the ultimate beneficial owner which held approximately 23.81% of partnership interest in Xianghe Yongjun; (iii) Shanghai Jing'an Industrial Guidance Equity Investment Fund Co., Ltd.* (上海靜安產業引導股權投資基金有限公司), which held approximately 4.76% of partnership interest in Xianghe Yongjun; (iv) Trust Mutual Life Insurance Company* (信美人壽相互保險社), which held approximately 4.76% of partnership interest in Xianghe Yongjun. Xianghe Yongjun is mainly engaged in equity investment, equity investment management and investment consulting. All of the aforesaid individuals and entities are Independent Third Parties.

Ningbo Xinshuo

Ningbo Xinshuo is a limited partnership established in the PRC on April 21, 2021 and its general partner is Shanghai Chentao Asset Management Co., Ltd.* (上海辰韜資產管理有限公司) (the "**Shanghai Chentao**"), which held approximately 0.01% of the partnership interest. Shanghai Chentao was owned as to 51.20% of shares by Ms. Xu Haiying (徐海英), its ultimate beneficial owner, and 48.80% of shares by Mr. Lin Xinzheng (林新正), respectively. As of the Latest Practicable Date, Ningbo Xinshuo had three limited partners, including (i) Ningbo Xingrui Venture Capital Partnership (Limited Partnership)* (寧波興芮創業投資合夥企業(有限合夥)), which held approximately 50% of partnership interest in Ningbo Xinshuo; (ii) Ningbo Qintong Venture Capital Partnership (Limited Partnership)* (寧波彗通創業投資合夥企業(有限合夥)), which held approximately 33.44% of partnership interest in Ningbo Xinshuo; and (iii) Shanghai Chengyi

Jinguan Venture Capital Partnership (Limited Partnership)* (上海誠毅錦冠創業投資合夥企業(有限合夥)), which held approximately 16.55% of partnership interest in Ningbo Xinshuo. Ningbo Xinshuo is mainly engaged in asset management and investment management. All of the aforesaid individuals and entities are Independent Third Parties.

Jinpu Pengyuan

Jinpu Pengyuan is a limited partnership established in the PRC on October 15, 2019 and its general partners are Shanghai GP Capital Co., Ltd.* (上海金浦投資管理有限公司) (the "**Shanghai GP**") and Ningbo Gaoheng Investment Partnership Enterprise (Limited Partnership)* (寧波高恒投資合夥企業(有限合夥)), which held approximately 0.02% and 1.92% of the partnership interest, respectively. Shanghai GP was owned as to 40.00% of shares by GP Capital Co., Ltd.* (金浦產業投資基金管理有限公司) (the "**GP Capital**"), which is ultimately controlled by Shanghai SASAC. No other shareholders hold more than 30.00% shares of Shanghai GP. As of the Latest Practicable Date, Jinpu Pengyuan had twelve limited partners, among which major limited partners included (i) Zhejiang Industry Fund Co., Ltd.* (浙江省產業基金有限公司), which held approximately 24.03% of partnership interest in Jinpu Pengyuan; (ii) Ningbo Pengyuan Oriental Venture Capital Partnership Enterprise (Limited Partnership)* (寧波鵬源東方創業投資合夥企業(有限合夥)), which held approximately 19.23% of partnership interest in Jinpu Pengyuan; (iii) Ningxing Group (Ningbo) Co., Ltd.* (寧興集團(寧波)有限公司), which held approximately 14.42% of partnership interest in Jinpu Pengyuan; (iv) Ningbo Venture Capital Guiding Fund Management Co., Ltd.* (寧波市創業投資引導基金管理有限公司), which held approximately 14.42% of partnership interest in Jinpu Pengyuan; (v) Ningbo Fenghua Economic Development Enterprise Management Co., Ltd.* (寧波奉化經開企業管理有限公司), which held approximately 9.61% of partnership interest in Jinpu Pengyuan; (vi) Ningbo Zhenhai Industrial Investment and Development Co., Ltd.* (寧波市鎮海產業投資發展有限公司), which held approximately 5.77% of partnership interest in Jinpu Pengyuan. Jinpu Pengyuan is mainly engaged in venture capital and equity investment. All of the aforesaid entities are Independent Third Parties.

Jinpu Consumer

Jinpu Consumer is a limited partnership established in the PRC on May 14, 2019, and its general partners are Shanghai Jinpu Innovation Consumption Equity Fund Management Co., Ltd.* (上海金浦科創動力私募基金管理有限公司) (the "**Jinpu Kechuangdongli**") and Nanjing Ganli Entreprise Management Partnership (Limited Partnership)* (南京甘禮企業管理有限中心(有限合夥)), which held approximately 0.01% and 0.99% of the partnership interest, respectively. Jinpu Kechuangdongli was owned as to 31% of shares by GP Capital, which is ultimately controlled by Shanghai SASAC. No other shareholders hold more than 30.00% shares of Jinpu Kechuangdongli. As of the Latest Practicable Date, Jinpu Consumer had nineteen limited partners, among which major limited partners included (i) Changsha Zhenwang Construction and Development Co., Ltd.* (長沙振望投資發展有限公司), which held approximately 16.99% of partnership interest in Jinpu Consumer; (ii) Nanjing Yangtze River Innovation and Entrepreneurship Investment Fund (Limited Partnership)* (南京揚子江創新創業投資基金(有限合夥)), which held approximately 11.33% of partnership interest in Jinpu Consumer; (iii) Nanjing Intelligent Manufacturing Industrial Park Construction and Development Co., Ltd.* (南京智能製造產業園建設發展有限公司), which held approximately 11.33% of partnership interest in Jinpu Consumer; (iv) Nanjing Beilian Venture Capital Co., Ltd.* (南京北聯創業投資有限公司), which held approximately 11.33% of partnership interest in Jinpu Consumer; (v) Changzhou Panshi Cement Co., Ltd.* (常州盤石水泥有限公司), which held approximately 11.33% of partnership interest in Jinpu Consumer; (vi) Mr. Chen Weiming* (陳偉明), who held approximately 5.66% of partnership interest in Jinpu Consumer; (vii) Shanghai Yisheng Technology Partnership (Limited Partnership)* (上海頤昇科技合夥企業(有限合夥)), which held approximately 5.44% of partnership interest in Jinpu Consumer. Jinpu Consumer is mainly engaged in equity investment, venture capital, industrial investment, investment management, and investment consulting. All of the aforesaid individuals and entities are Independent Third Parties.

Jinpu Technology

Jinpu Technology is a limited partnership established in the PRC on September 9, 2020, and its general partner is Shanghai Jinpu Science and Technology Innovation Future Investment Management Co., Ltd.* (上海金浦科創未來投資管理有限公司), which held approximately 0.83% of the partnership interest. Jinpu Kechuang was owned as to 69.00% of shares by Mr. Hou Haoxiang (侯昊翔) and 31% of shares by GP Capital, which is ultimately controlled by Shanghai SASAC, respectively. As of the Latest Practicable Date, Jinpu Technology had 12 limited partners, and Shanghai Cangfan Linfeng Enterprise Management Partnership (Limited Partnership)* (上海倉繁廩澧企業管理合夥企業(有限合夥)), being its largest limited partner, held approximately 16.55% of partnership interest in Jinpu Technology. None of the other partners of Jinpu Technology owned more than 20% benefits in it. Jinpu Technology is mainly engaged in equity investment, investment management, asset management, industrial investment, and investment consulting. All of the aforesaid individuals and entities are Independent Third Parties.

Longxin Intelligent

Longxin Intelligent is a limited partnership established in the PRC on May 18, 2021, and its general partner is Longxin (Shenzhen) Private Equity Venture Capital Fund Management Co., Ltd.* (龍芯(深圳)私募創業投資基金管理有限公司) (the "**Longxin VC**"), which held approximately 0.01% of the partnership interest. Longxin VC was owned as to 69.70% of shares by Gongqingcheng Yuanli Zexin Investment Partnership Enterprise (Limited Partnership)* (共青城源利澤信投資合夥企業(有限合夥)) (the "**Gongqing Chengyuan**"), which is ultimately controlled by Mr. Wang Jin (王進). No other shareholders hold more than 30.00% shares of Longxin VC. As of the Latest Practicable Date, Longxin Intelligent had eighteen limited partners, among which major limited partners included (i) Gongqingcheng Longxin Huineng Venture Capital Partnership Enterprise (Limited Partnership)* (共青城龍芯匯能創業投資合夥企業(有限合夥)), which held approximately 54.69% of partnership interest in Longxin Intelligent; (ii) Tianjin Zhenghe Yangkang Venture Capital Fund Partnership (Limited Partnership)* (天津正和陽康創業投資基金合夥企業(有限合夥)), which held approximately 9.11% of partnership interest in Longxin Intelligent; (iii) Qingdao Huiyuanyi Enterprise Management Center (Limited Partnership)* (青島匯元益企業管理中心(有限合夥)), which held approximately 9.11% of partnership interest in Longxin Intelligent. Longxin Intelligent is mainly engaged in equity investment and venture capital. All of the aforesaid individuals and entities are Independent Third Parties.

Longxin Juneng

Longxin Juneng is a limited partnership established in the PRC on October 18, 2021, and its general partner is Longxin VC, which held approximately 0.01% of the partnership interest. Same as above, Longxin VC was owned as to 69.70% of shares by Gongqing Chengyuan, which is ultimately controlled by Mr. Wang Jin (王進), 15.30% of shares by Loongson Technology Corporation Limited* (龍芯中科技術股份有限公司) and 15% of shares by Beijing Tiantong Xin'an Technology Development Center (Limited Partnership)* (北京天童芯安科技發展中心(有限合夥)), respectively. As of the Latest Practicable Date, Longxin Juneng had nineteen limited partners. Mr. Sheng Zhifeng (盛志峰) being the largest limited partner, held approximately 15.56% of partnership interest in Longxin Juneng. Besides, Gongqingcheng Longxin Zhiju Venture Capital Partnership Enterprise (Limited Partnership)* (共青城龍芯至聚創業投資合夥企業(有限合夥)) held approximately 11.82% of partnership interest and Ms. Jin Guizhen (晉桂珍) held approximately 10.21% of partnership interest in Longxin Juneng. None of the other partners of Longxin Juneng owned more than 10% benefits in it. Longxin Juneng is mainly engaged in equity investment and venture capital. All of the aforesaid individuals and entities are Independent Third Parties.

Suzhou Fenhu

Suzhou Fenhu is a limited partnership established in the PRC on September 10, 2020, and its general partner is Suzhou Qinhe Qingshi Investment Management Partnership Enterprise (Limited Partnership)* (蘇州勤合清石投資管理合夥企業(有限合夥)) (the "**Qinhe Qingshi**"), which held approximately 1.25% of the partnership interest. Qinhe Qingshi was owned as to 40.00% of shares by Suzhou Qingfen Capital Management Co., Ltd.* (蘇州清汾資本管理有限公司), which is ultimately controlled by Ms. Wu Weiping (吳偉萍), 35.00% of shares by Shanghai Moqin Intelligent Technology Co., Ltd.* (上海摩勤智能技術有限公司) and 25% of shares by Mr. Feng Xiaoyong (馮小勇), respectively. As of the Latest Practicable Date, Suzhou Fenhu had four limited partners. Suzhou Fenhu Innovation Industry Investment Center (Limited Partnership)* (蘇州汾湖創新產業投資中心(有限合夥)), being the largest limited partner, held 45.00% of partnership interest in Suzhou Fenhu. Besides, Shanghai Moqin Intelligent Technology Co., Ltd.* (上海摩勤智能技術有限公司) held 37.50% of partnership interest and Suzhou Qingshi Hengyuan Venture Capital Partnership Enterprise (Limited Partnership)* (蘇州清石恆源創業投資合夥企業(有限合夥)) held 11.25% of partnership interest in Suzhou Fenhu. None of the other partners of Suzhou Fenhu owned more than 10% benefits in it. Suzhou Fenhu is mainly engaged in venture capital. All of the aforesaid individuals and entities are Independent Third Parties.

Zhuhai Hongtu

Zhuhai Hongtu is a limited partnership established in the PRC on October 22, 2020, and its general partner is Huizhou Hongtu Venture Capital Management Co., Ltd.* (惠州紅土投資管理有限公司) (the "**Huizhou Hongtu**"), which held 2% of the partnership interest. Huizhou Hongtu was owned as to 100% of shares by Shenzhen Venture Capital Laterite Private Equity Investment Fund Management (Shenzhen) Co., Ltd.* (深創投紅土私募股權投資基金管理(深圳)有限公司), which is ultimately controlled by Shenzhen Municipal State-owned Assets Supervision and Administration Commission (深圳市人民政府國有資產監督管理委員會) (the "**Shenzhen SASAC**"). As of the Latest Practicable Date, Zhuhai Hongtu had four limited partners. Shenzhen Hongtu Equity Investment Fund Partnership (L.P.)* (深圳市紅土岳川股權投資基金合夥企業(有限合夥)) and ZTE Corporation* (中興通訊股份有限公司), both being the largest limited partner, each held 40.00% of partnership interest in Zhuhai Hongtu, and Shenzhen Capital Group Co., Ltd.* (深圳市創新投資集團有限公司), being the second largest limited partner, held 18.00% of partnership interest in Zhuhai Hongtu. As mentioned above, Huizhou Hongtu Venture Capital Management Co., Ltd.* (惠州紅土投資管理有限公司) held 2% of the partnership interest in it. Zhuhai Hongtu is mainly engaged in equity investment, investment management and asset management via private equity funds. All of the aforesaid entities are Independent Third Parties.

Shenzhen Hongtu

Shenzhen Hongtu is a limited partnership established in the PRC on October 31, 2019, and its general partner is Shenzhen Chuangtou Hongtu Private Equity Investment Fund Management (Shenzhen) Co., Ltd.* (深創投紅土私募股權投資基金管理(深圳)有限公司) (the "**Shenzhen Chuangtou Hongtu**"). As of the Latest Practicable Date, Shenzhen Chuangtou Hongtu was 100% owned by Shenzhen Innovation Investment Group Co., Ltd.* (深圳市創新投資集團有限公司), which is ultimately controlled by Shenzhen SASAC. No other shareholders hold more than 30.00% shares of Shenzhen Chuangtou Hongtu Private Equity Investment Fund Management (Shenzhen) Co., Ltd. Major limited partners included Shenzhen Capital Group Co., Ltd.* (深圳市創新投資集團有限公司), holding approximately 25.55% of the partnership interest; Zhuhai Da Heng Qin Group Co., Ltd.* (珠海大橫琴集團有限公司), holding approximately 19.99%; Shenzhen Longhua District Guidance Fund Investment Management Co., Ltd.* (深圳市龍華區引導基金投資管理有限公司), holding approximately 9.98%; Shenzhen Shenzhen-Hong Kong Capital Co., Ltd.* (深圳市深圳港資本有限公司), holding approximately 9.02%; Foshan Lehua Hongrun Investment Co., Ltd.* (佛山市樂華宏潤投資有限公司), Zhuhai Jinwan District Jinhang Industry Guidance Fund Partnership (Limited Partnership)* (珠海市金灣區金航產業引導基金合夥企業(有限合夥)), Qingdao Huizhu Chuangxin Venture Capital Fund Partnership (Limited Partnership)* (青島匯鑄創新創業投資基金

合夥企業(有限合夥)), each holding approximately 6.01%. Shenzhen Hongtu is mainly engaged in entrusted asset management, investment management and equity investment and entrusted management of equity investment funds. All of the aforesaid entities are Independent Third Parties.

Xinxiang Rongcheng

Xinxiang Rongcheng is a limited partnership established in the PRC on December 1, 2022, and its general partner is CycleOne Limited. CycleOne Limited was wholly owned and controlled by Mr. Chen Chu-Wan. As of the Latest Practicable Date, Xinxiang Rongcheng had two limited partners, including (i) ACSS Limited, which held approximately 77.06% of partnership interest in Xinxiang Rongcheng; (ii) ACPPFA Limited, which held approximately 22.90% of partnership interest in Xinxiang Rongcheng. Xinxiang Rongcheng is mainly engaged in enterprise management consulting and investment activities with own funds. All of the aforesaid entities are Independent Third Parties.

Kunde Partnership

Kunde Partnership is a limited partnership established in the PRC on July 20, 2023, and its general partner is Shenzhen Kunrong Financial Management Consulting Co., Ltd* (深圳昆榮財務管理諮詢有限公司) (the "**Shenzhe Kunrong**"). As of the Latest Practicable Date, Shenzhen Kunrong was 100% owned by Shanghai Kunqiao Financial Management Consulting Co., Ltd.* (上海昆橋財務管理諮詢有限公司). Kunde Partnership is ultimately controlled by Mr. Nien Chieh Ping (粘傑評). Kunde Partnership had two limited partners, including: (i) Kunqiao Phase II (Xiamen) Semiconductor Industry Equity Investment Partnership (Limited Partnership)* (昆橋二期(廈門)半導體產業股權投資合夥企業(有限合夥)), which held approximately 49.96% of partnership interest in Kunde Partnership; (ii) Kunqiao Phase II (Suzhou) Emerging Industry Venture Capital Partnership (Limited Partnership)* (昆橋二期(蘇州)新興產業創業投資合夥企業(有限合夥)), which held approximately 49.96% of partnership interest in Kunde Partnership. Kunde Partnership is mainly engaged in financial consulting, enterprise management consulting and investment activities with own funds. All of the aforesaid entities are Independent Third Parties.

Gaintech

Gaintech is an exempted company established in the Cayman Islands on July 18, 2000. The controlling shareholder of Gaintech is MediaTek Investment Singapore Pte. Ltd., and the ultimate controlling owner is MediaTek Inc.* (聯發科技股份有限公司) ("**MediaTek**"). MediaTek is a globally renowned integrated circuit design company listed on the Taiwan Stock Exchange. All of the aforesaid entities are Independent Third Parties.

Azure VC

Azure VC is a limited partnership established in the PRC on August 10, 2023, and its general partner is Changjiang Growth Capital Investment Co., Ltd. (長江成長資本投資有限公司) (the "**Changjiang Growth Capital**"). As of the Latest Practicable Date, Changjiang Growth Capital was 100% owned by Changjiang Securities Co., Ltd. (長江證券股份有限公司). Major limited partners included Shenzhen Zhongke Lanxun Technology Co., Ltd.* (深圳市中科藍訊科技股份有限公司), holding approximately 93.67% of the partnership interest; Ms. Feng Jia* (馮佳), holding approximately 2.00%; and Ms. Yu Yaqin* (于亞芹), holding approximately 1.00%. Azure VC is mainly engaged in equity investment, investment management, asset management and other activities through private equity funds, venture capital, and information consulting services. All of the aforesaid individuals and entities are Independent Third Parties.

Qixin Yuanchuang

Qixin Yuanchuang is a limited partnership established in the PRC on August 16, 2023, and its general partner is Ningbo Yushan Investment Management Co., Ltd.* (寧波宇杉投資管理有限公司) (the "**Ningbo Yushan**"). As of the Latest Practicable Date, Mr. Jiang Hangtian (蔣航天), the ultimate beneficial owner, held 57.6% of the shares. No other shareholders hold more than 30.00% shares of Ningbo Yushan. Major limited partners included Ms. Zeng Fang (曾芳), holding approximately 43.77% of the partnership interest; Mr. Wang Zhijun (王志軍), holding approximately 7.38%; Mr. Xu Jiajie (徐佳傑), holding approximately 6.65%; Mr. Sun Xiaojun (孫小竣), holding approximately 5.76%; Ms. Rong Guoqing (榮國青) and Ms. Xue Yifeng (薛怡鳳), each holding approximately 4.87%; and Ms. Shi Wen (施雯), holding approximately 4.22%. Qixin Yuanchuang is mainly engaged in equity investment, investment management, asset management and other activities through private equity funds; and venture capital. All of the aforesaid individuals and entities are Independent Third Parties.

Jiaxing Haoqi

Jiaxing Haoqi is a limited partnership established in the PRC on November 17, 2023, and its general partner is Shanghai Shenghe Enterprise Management Center (Limited Partnership)* (上海晟閡企業管理中心(有限合夥)) (the "**Shenghe Enterprise Management**"), which held approximately 0.02% of the partnership interest. Shenghe Enterprise Management was owned as to 90.01% of shares by Jiaxing Haomei Equity Investment Partnership (Limited Partnership)* (嘉興皓美股權投資合夥企業(有限合夥)) and 9.99% of shares by Shanghai Jiayue Zhang Management Consulting Co., Ltd.* (上海嘉躍章管理諮詢有限公司). Jiaxing Haoqi is ultimately controlled by Shanghai Guoce Investment Management Co., Ltd.* (上海國策投資管理有限公司). As of the Latest Practicable Date, Jiaxing Haoqi had two limited partners, and Shanghai Guoce Green Technology Manufacturing Private Equity Investment Fund Partnership Enterprise (Limited Partnership)* (上海國策綠色科技製造私募投資基金合夥企業(有限合夥)), being its largest limited partner, held 99.98% of partnership interest in Jiaxing Haoqi. Jiaxing Haoqi is mainly engaged in equity investment. All of the aforesaid individuals and entities are Independent Third Parties.

Longcheer Technology

Longcheer Technology is a joint stock limited company established in the PRC on October 27, 2004, whose shares are listed on the Shanghai Stock Exchange since March 1, 2024 (stock code: 603341). Longcheer Technology is a leading global provider of smart devices and services, offering solutions — including product research, design, manufacturing, and support — for renowned smart device brands and leading technology companies worldwide.

Zhuoyuan Investment

Zhuoyuan Investment is a limited liability company established in the PRC on May 23, 2012, and its legal representative and ultimate beneficial owner is Mr. Lin Haizhuo* (林海卓), who held approximately 80.00% of the equity interest. Mr. Lin is an individual investor with extensive experience in equity investment. He serves as the Executive Director and General Manager of Zhuoyuan Investment. As of the Latest Practicable Date, Zhuoyuan Investment had a total of three shareholders, namely Mr. Lin (held approximately 80.00% of the equity interest), Ms. Li Pujun (李璞君) (held approximately 10.00% of the equity interest), and Mr. Chen Ji (陳積) (held approximately 10.00% of the equity interest). Zhuoyuan Investment is mainly engaged in domestic trade, import and export business, investment activities with its own funds, venture capital, enterprise management consulting, financial consulting and information consulting services. All of the aforesaid individuals and entities are Independent Third Parties.

Huaye Xuchuang

Huaye Xuchuang is a limited partnership established in the PRC on November 22, 2024, and its general partner is Shenzhen Gongchuang Huaye Investment Partnership Enterprise (Limited Partnership)* (深圳共創華業投資合夥企業(有限合夥)) (the "**Gongchuang Huaye**"), which held approximately 4.93% of the partnership interest. Gongchuang Huaye was mainly owned as to 99.80% of shares by Hainan Province Gongchuang Huaye Consulting Service Partnership Enterprise (Limited Partnership)* (海南省共創華業諮詢服務合夥企業(有限合夥)), approximately 0.10% of partnership interest by Mr. Sun Yelin (孫業林) and approximately 0.10% of partnership interest by Shenzhen Huaye Tiancheng, which is ultimately controlled by Mr. Sun Yelin (孫業林). No other shareholders hold more than 0.10% shares of Gongchuang Huaye. As of the Latest Practicable Date, Huaye Xuchuang had two limited partners. Suzhou Shangshi Shengshi Yuanfeng Equity Investment Partnership (Limited Partnership)* (蘇州上實盛世園豐股權投資合夥企業(有限合夥)), being the largest limited partner, held approximately 65.52% of partnership interest in Huaye Xuchuang. Besides, Nanjing Xinxuneng No. 1 Venture Investment Partnership (Limited Partnership)* (南京市新續能一號創業投資合夥企業(有限合夥)) held approximately 29.56% of partnership interest and Shenzhen Gongchuang Huaye Investment Partnership Enterprise (Limited Partnership)* (深圳共創華業投資合夥企業(有限合夥)) held approximately 4.93% of partnership interest in Huaye Xuchuang. Huaye Xuchuang is mainly engaged in investment activities with its own funds and venture capital. All of the aforesaid individuals and entities are Independent Third Parties.

Jiangsu Provincial Entities

(i) Nanjing Xinju

Nanjing Xinju is a limited partnership established in the PRC on June 19, 2025, and its general partner is Nanjing Zijin Technology Venture Capital Co., Ltd.* (南京紫金科技創業投資有限公司) (the "**Nanjing Zijin**"), which held approximately 0.03% of the partnership interest. Nanjing Zijin was totally owned as to 100% of shares by Nanjing Innovation Investment Group Co., Ltd.* (南京市創新投資集團有限責任公司) and ultimately controlled by Nanjing SASAC. As of the Latest Practicable Date, Nanjing Xinju had four limited partners. Nanjing Xingli Equity Investment Fund Partnership Enterprise (Limited Partnership)* (南京興力股權投資基金合夥企業(有限合夥)) and Nanjing Pukou High Quality Development Investment Fund Partnership (Limited Partnership)* (南京浦口高質量發展投資基金合夥企業(有限合夥)), both being the largest limited partner, each held approximately 49.49% of partnership interest in Nanjing Xinju. Nanjing Xinju is mainly engaged in enterprise management consulting and investment activities with its own funds. All of the aforesaid entities are Independent Third Parties.

(ii) Nanjing Pukou Industry Investment

Nanjing Pukou Industry Investment is a limited partnership established in the PRC on September 27, 2019. As of the Latest Practicable Date, its general partner was Nanjing Helijinxin Equity Investment Partnership (Limited Partnership)* (南京和利盡心股權投資合夥企業(有限合夥)) (the "**Nanjing Helijinxin**"), an Independent Third Party holding 1.10% of the partnership interest. Nanjing Helijinxin was 51% owned by Nanjing Heligaozhi Equity Investment Partnership (Limited Partnership)* (南京和利告子股權投資合夥企業(有限合夥)) as its general partner, which is ultimately controlled by Ms. Wang Yuqing (王雨晴), an Independent Third Party, and 49% by Nanjing Pukou Development Zone High-Tech Investment Co., Ltd.* (南京浦口開發區高科技投資有限公司) ("**Nanjing Pukou High-Tech Investment**"). Nanjing Pukou High-Tech Investment is ultimately controlled by Nanjing Pukou Economic Development Zone Management Committee (南京浦口經濟開發區管理委員會), an Independent Third Party.

As of the Latest Practicable Date, Nanjing Pukou Industry Investment had one limited partner, Nanjing Pukou High-Tech Investment, an Independent Third Party holding 98.90% of the partnership interest. The Fund is primarily engaged in equity investment, venture capital investment, and related services involving non-publicly traded equity in non-listed companies and non-publicly issued equity of listed companies. Nanjing Pukou Industry Investment is an Independent Third Party.

(iii) Yangzhou Longtou

Yangzhou Longtou is a limited partnership established in the PRC on February 1, 2023, and its general partner is Yangzhou Longtou Yiheng Venture Capital Center (Limited Partnership) (揚州龍投毅恒創業投資中心(有限合夥)) (the "**Yangzhou Longtou Yiheng**"). As of the Latest Practicable Date, Yangzhou Longtou Yiheng was ultimately controlled by Yangzhou Municipal People's Government (揚州市人民政府). No other shareholders hold more than 30.00% shares of Yangzhou Longtou Yiheng. As of the Latest Practicable Date, Yangzhou Longtou had one limited partners, Yangzhou Jiangdu District Baisha Park Development Co., Ltd.* (揚州市江都區白沙園區發展有限公司), which held approximately 99.87% of partnership interest in Yangzhou Longtou. Yangzhou Longtou is mainly engaged in equity investment. All of the aforesaid entities are Independent Third Parties.

(iv) Zijin Advanced

Zijin Advanced is a limited partnership established in the PRC on December 26, 2018, and its general partner is Nanjing Summit Equity Fund Management CO., LTD* (南京峰嶺股權投資基金管理有限公司) (the "**Nanjing Summit**"). As of the Latest Practicable Date, Nanjing Summit was owned as to approximately 45% by Nanjing Zijin Technology Venture Capital Co., Ltd.* (南京紫金科技創業投資有限公司) (a company ultimately controlled by Nanjing SASAC) and approximately 30% by SDIC Innovation Investment Management Co., Ltd.* (國投創新投資管理有限公司). No other shareholders hold more than 30.00% shares of Nanjing Summit. As of the Latest Practicable Date, Zijin Advanced had multiple limited partners, among which major limited partners included (i) Advanced Manufacturing Industry Investment Fund (Limited Partnership)* (先進製造產業投資基金(有限合夥)), which held approximately 50% of partnership interest in Zijin Advanced; (ii) Nanjing Industrial Development Fund Co., Ltd.* (南京市產業發展基金有限公司), which held approximately 20% of partnership interest in Zijin Advanced; (iii) Nanjing Innovation Investment Group Co., Ltd.* (南京市創新投資集團有限責任公司), which held approximately 20% of partnership interest in Zijin Advanced; (iv) Nanjing Qilin High-tech Zone Venture Capital Fund Partnership (Limited Partnership)* (南京麒麟高新區創業投資基金合夥企業(有限合夥)), which held approximately 8.6% of partnership interest in Zijin Advanced. Zijin Advanced is mainly engaged in equity investment and equity investments in non-listed companies, non-publicly issued equity of listed companies and other non-publicly traded equity investments, as well as related services. All of the aforesaid entities are Independent Third Parties.

(v) Advanced Manufacturing

Advanced Manufacturing is a limited partnership established in the PRC on February 21, 2025, and its general partner is Nanjing Strategic Private Equity Fund Management Co., Ltd.* (南京戰新私募基金管理有限公司) (the "**Zhanxin PE**"), which held approximately 1.00% of the partnership interest. Zhanxin PE was owned as to 75.00% of shares by Nanjing Innovation Investment Group Co., Ltd.* (南京市創新投資集團有限責任公司) and 25.00% of shares by Jiangsu Gaotou Zhanxin Private Equity Fund Management Co., Ltd.* (江蘇高投戰新私募基金管理有限公司), respectively. Advanced Manufacturing is ultimately controlled by Nanjing SASAC. As of the Latest Practicable Date, Advanced Manufacturing had seven limited partners. Major limited partners included Nanjing Zijin Industrial Investment Co., Ltd.* (南京市紫金產業投資有限公司), holding 33.00% of the partnership interest;, and Jiangsu Strategic Emerging Industry Master Fund Co., Ltd.* (江蘇省戰略性新興產業母基金有限公司), holding 25.00%. Nanjing Jiangbei New Area High Quality Development Industry Investment Fund (Limited Partnership)* (南京江北新區高質量

發展產業投資基金(有限合夥)), Nanjing Jiangbei New Area Yushan Innovation Investment Co., Ltd. (南京江北新區雨山創新投資有限公司), Nanjing Pukou Development Zone High Tech Investment Co., Ltd.* (南京浦口開發區高科技投資有限公司) each held 16.00%, 12.50% and 10%. Advanced Manufacturing is mainly engaged in equity investment, venture capital, and investment activities with its own funds. All of the aforesaid entities are Independent Third Parties.

(vi) Nanjing Talent

Nanjing Talent is a limited partnership established in the PRC on July 15, 2020 and its general partner is Nanjing Zijin Venture Capital Fund Management Co., Ltd.* (南京紫金創投基金管理有限責任公司) (the "**Nanjing Zijin Venture Capital**"), who held approximately 0.04% of the partnership interest. Nanjing Zijin Venture Capital was owned as to 100% by Nanjing Innovation Investment Group Co., Ltd.* (南京市創新投資集團有限責任公司), which is ultimately owned by the Nanjing Municipal State-owned Assets Supervision and Administration Commission (南京市人民政府國有資產監督管理委員會) (the "**Nanjing SASAC**"). As of the Latest Practicable Date, Nanjing Talent had one limited partner, Nanjing Zijin Emerging Industry Venture Capital Fund Co., Ltd.* (南京紫金新興產業創業投資基金有限公司), who held approximately 99.96% of its partnership interest. Nanjing Talent is mainly engaged in venture capital, equity investment, investment management, asset management and other activities through private equity funds. All of the aforesaid partners and shareholders are Independent Third Parties.

(vii) Pukou Zhiqi

Pukou Zhiqi is a limited partnership established in the PRC on May 15,2023, and its general partner is Nanjing Yushan Private Equity Fund Management Co., Ltd.* (南京雨山私募基金管理有限公司) (the "**Yushan Private Equity**"), which held 1.00% of the partnership interest. Yushan Private Equity was totally owned as to 100% of shares by Nanjing Jiangbei New Area Yushan Innovation Investment Co., Ltd. (南京江北新區雨山創新投資有限公司), which is indirectly controlled by Finance Bureau of Pukou of Nanjing (南京市浦口區財政局). Pukou Zhiqi is ultimately controlled by the State-owned Assets Supervision and Administration Office of Pukou District Government, Nanjing City (南京市浦口區政府國有資產監督管理辦公室) (the "**Nanjing Pukou SASAC**"). As of the Latest Practicable Date, Pukou Zhiqi had five limited partners. Besides Yushan Private Equity, Nanjing Jiangbei New Area Yushan Innovation Investment Co., Ltd. held 39.00% of partnership interest in Pukou Zhiqi, and Nanjing Pukou Science and Technology Innovation Investment Group Co., Ltd.* (南京浦口科創投資集團有限公司), Pukou District State-owned Assets Investment Operation Co., Ltd.* (南京市浦口區國有資產投資經營有限公司), Nanjing Pukou Development Zone High Tech Investment Co., Ltd.* (南京浦口開發區高科技投資有限公司) each held 20.00% of partnership interest in it. Pukou Zhiqi is mainly engaged in private equity-related equity investment, investment management, asset management, venture capital and information consulting. All of the aforesaid entities are Independent Third Parties.

Yuanhe Puhua

Yuanhe Puhua is a limited partnership established in the PRC on March 11, 2025, and its general partner is Shanghai Tianjixin Enterprise Management Partnership Enterprise (Limited Partnership)* (上海天集芯企業管理合夥企業(有限合夥)) (the "**Shanghai Tianjixin**"), which held approximately 1.36% of the partnership interest. Shanghai Tianjixin was owned as to 90.00% of partnership interest by Yuanhe Puhua Tongxin (Suzhou) Investment Management Co., Ltd.* (元禾璞華同芯(蘇州)投資管理有限公司), 9.90% of partnership interest by Suzhou Tonghua Enterprise Management Co., Ltd.* (蘇州同華企業管理有限公司) and 0.10% of shares by Mr. Wu Haibin* (吳海濱), respectively. Yuanhe Puhua is ultimately controlled by Ms. Liu Yue (劉越). As of the Latest Practicable Date, Yuanhe Puhua had five limited partners. Suzhou Oriza Holdings Corporation* (蘇州元禾控股股份有限公司), being the largest limited partner, held approximately 33.69% of partnership interest in Yuanhe Puhua, and Jiangsu Nantong New Generation Information Technology Industry Special Mother Fund (Limited Partnership)* (江蘇南通新一代信息技術產業專項母基金(有限合夥)), being the second largest limited partner, held approximately 29.92% of partnership interest in Yuanhe Puhua. Yuanhe Puhua is mainly engaged in venture capital (for unlisted firms). All of the aforesaid individuals and entities are Independent Third Parties.

FULL CIRCULATION

Our Company has applied for H Share full circulation to convert an aggregate of 693,909,187 Unlisted Shares held by existing Shareholders, representing 72.35% of the total issued Shares of our Company as of the Latest Practicable Date and approximately 65.12% of the total issued Shares of our Company upon completion of the Global Offering (without taking into account any H Shares to be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme). For details, see "Share Capital — Upon Completion of the Global Offering."

PUBLIC FLOAT

Immediately upon completion of the conversion of Unlisted Shares into H Shares and the Global Offering (without taking into account any H Shares to be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme), the Company will have 1,065,624,232 Shares, among which 444,970,000 Shares, representing approximately 46.40% of our total issued Shares as of the Latest Practicable Date and approximately 41.76% of our total issued Shares upon Listing (without taking into account any H Shares to be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme), will not be counted towards the public float of our Company according to Rule 8.08 of the Listing Rules, as such Shares comprises (i) the 265,152,545 Unlisted Shares; (ii) the 71,772,000 H Shares held by our Single Largest Group of Shareholders; and (iii) the 108,045,455 H Shares held by Nanjing Xinju, Nanjing Pukou Industry Investment, Yangzhou Longtou, Zijin Advanced, Nanjing Strategic, Nanjing Talent and Pukou Zhiqi (together, the "**Jiangsu Provincial Entities**"), whose shareholdings are aggregated for the purpose of determining the public float, as they are all ultimately controlled by governmental bodies of Jiangsu Province, and together hold more than 10% of our total issued Shares as of the Latest Practicable Date and upon Listing.

To the best of our Directors' knowledge, information and belief and having made all reasonable inquiries, save as disclosed above, upon the completion of the Global Offering and the conversion of Unlisted Shares into H Shares, 514,091,732 H Shares to be held by our existing Shareholders who are not our core connected persons or otherwise not members of the public, representing approximately 48.24% of our total issued Shares upon the completion of the Global Offering (without taking into account any H Shares to be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme), will be counted towards the public float. Together with 106,562,500 H Shares to be issued pursuant to the Global Offering, representing approximately 10% of our total issued Shares, a total of 620,654,232 H Shares, representing 58.24% of our total issued Shares (without taking into account any H Shares to be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme) will be counted towards the public float. With respect to the indicative Offer Price range of HK$8.60, HK$9.10 and HK$9.60 per H share (being the low-end, mid-point and the high-end of the Offer Price, respectively), the expected market value of the Company's Shares would be approximately HK$9,164 million, HK$9,697 million and HK$10,230 million, respectively. Pursuant to Rule 19A.13A(1) of the Listing Rules, the minimum prescribed public float percentage threshold is 16.37%, 15.47% and 14.66%, respectively. Therefore, our Company will be able to meet the minimum public float requirement under Rule 19A.13A(1) of the Listing Rules.

FREE FLOAT

Rule 19A.13C of the Listing Rules provides that, where a new applicant is a PRC issuer with no 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 10% 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.

To the best knowledge of our Directors, immediately upon completion of the Global Offering, the Shares constituting our Company's free float are expected to be as follows: (i) based on the low-end of the indicative Offer Price range of HK$8.60 per Share, 70,169,000 Shares, representing approximately 6.58% of our Company's total issued share capital, with an expected market capitalisation of approximately HK$603.45 million. This excludes (a) the 959,061,732 Shares held by all existing Shareholders that are subject to a lock-up period of twelve months following the Listing Date under applicable PRC laws, and (b) the 36,393,500 Shares held by the Cornerstone Investors that are subject to a lock-up period of nine months from and including the Listing Date; and (ii) based on the high-end of the indicative Offer Price range of HK$9.60 per Share, 73,960,000 Shares, representing approximately 6.94% of our Company's total issued share capital, with an expected market capitalisation of approximately HK$710.02 million. This excludes (a) the 959,061,732 Shares held by all existing Shareholders that are subject to a lock-up period of twelve months following the Listing Date under applicable PRC laws, and (b) the 32,602,500 Shares held by the Cornerstone Investors that are subject to a lock-up period of nine months from and including the Listing Date. Accordingly, our Company will satisfy the free float requirements under Rule 19A.13C(1)(b) of the Listing Rules.

COMPLIANCE WITH PRC LAWS AND REGULATIONS

Our PRC Legal Advisor has confirmed that the shareholding structure and changes, capital increase and share transfers in respect of our Company in the PRC in "— Establishment and Development of our Company" above have been registered with local registration authorities of the PRC in accordance with applicable PRC laws and regulations.

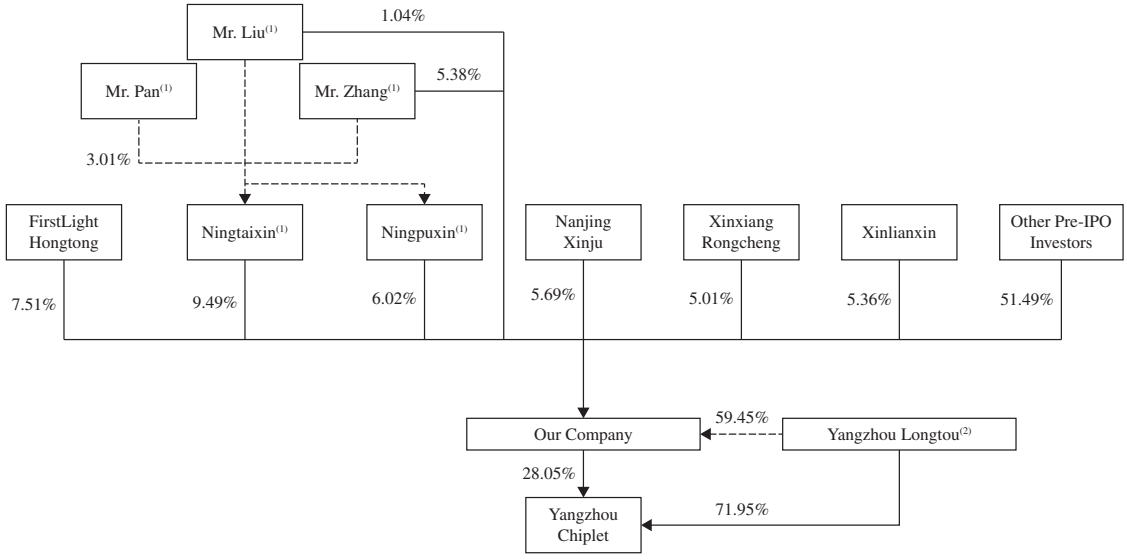
CAPITALIZATION OF OUR COMPANY

The table below is a summary of the capitalization of our Company as of the Latest Practicable Date and immediately upon the completion of the Global Offering (without taking into account any Shares to be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme):

	As of the Latest Practicable Date		Immediately upon completion of the Global Offering						
	Number of Shares	Percentage shareholding in our Company	Number of H Shares	Percentage shareholding in the H Shares	Number of Unlisted Shares	Percentage shareholding in the Unlisted Shares	Number of total Shares	Percentage shareholding in our issued share capital	Whether the H Shares will be counted towards public float
Single Largest Group of Shareholders									
Ningtaixin	91,000,000	9.49%	38,272,000	4.78%	52,728,000	19.89%	91,000,000	8.54%	No
Ningpuxin	57,770,000	6.02%	12,000,000	1.50%	45,770,000	17.26%	57,770,000	5.42%	No
Mr. Zhang	51,590,000	5.38%	12,000,000	1.50%	39,590,000	14.93%	51,590,000	4.84%	No
Mr. Pan	28,880,000	3.01%	7,000,000	0.87%	21,880,000	8.25%	28,880,000	2.71%	No
Mr. Liu	10,000,000	1.04%	2,500,000	0.31%	7,500,000	2.83%	10,000,000	0.94%	No
Subtotal	**239,240,000**	**24.95%**	**71,772,000**	**8.97%**	**167,468,000**	**63.16%**	**239,240,000**	**22.45%**	
Jiangsu Provincial Entities									
Nanjing Xinju	54,545,455	5.69%	54,545,455	6.81%	–	0.00%	54,545,455	5.12%	No
Nanjing Pukou Industry Investment	28,500,000	2.97%	28,500,000	3.56%	–	0.00%	28,500,000	2.67%	No
Yangzhou Longtou	18,181,818	1.90%	–	0.00%	18,181,818	6.86%	18,181,818	1.71%	No
Zijin Advanced	12,727,273	1.33%	12,727,273	1.59%	–	0.00%	12,727,273	1.19%	No
Advanced Manufacturing	5,454,545	0.57%	5,454,545	0.68%	–	0.00%	5,454,545	0.51%	No
Nanjing Talent	5,000,000	0.52%	5,000,000	0.62%	–	0.00%	5,000,000	0.47%	No
Pukou Zhiqi	1,818,182	0.19%	1,818,182	0.23%	–	0.00%	1,818,182	0.17%	No
Subtotal	**126,227,273**	**13.16%**	**108,045,455**	**13.50%**	**18,181,818**	**6.86%**	**126,227,273**	**11.85%**	
Entities controlled by Liu Xiaodan									
FirstLight Hongtong	72,000,000	7.51%	72,000,000	8.99%	–	0.00%	72,000,000	6.76%	Yes
FirstLight Growth	10,000,000	1.04%	–	0.00%	10,000,000	3.77%	10,000,000	0.94%	Yes
Subtotal	**82,000,000**	**8.55%**	**72,000,000**	**8.99%**	**10,000,000**	**3.77%**	**82,000,000**	**7.70%**	

	As of the Latest Practicable Date		Immediately upon completion of the Global Offering						
	Number of Shares	Percentage shareholding in our Company	Number of H Shares	Percentage shareholding in the H Shares	Number of Unlisted Shares	Percentage shareholding in the Unlisted Shares	Number of total Shares	Percentage shareholding in our issued share capital	Whether the H Shares will be counted towards public float
Entities controlled by Mr. Wang Xinchao									
Mr. Wang Xinchao	24,000,000	2.50%	12,000,000	1.50%	12,000,000	4.53%	24,000,000	2.25%	Yes
Xinchao Chenguang	10,000,000	1.04%	5,000,000	0.62%	5,000,000	1.89%	10,000,000	0.94%	Yes
Xinchao Investment	5,000,000	0.52%	2,500,000	0.31%	2,500,000	0.94%	5,000,000	0.47%	Yes
Subtotal	**39,000,000**	**4.06%**	**19,500,000**	**2.44%**	**19,500,000**	**7.36%**	**39,000,000**	**3.66%**	
Entities controlled by Jiangsu Private Investment									
Sumin Investment	14,562,068	1.52%	14,562,068	1.82%	–	0.00%	14,562,068	1.37%	Yes
Xianfeng Investment	1,052,477	0.11%	1,052,477	0.13%	–	0.00%	1,052,477	0.10%	Yes
Subtotal	**15,614,545**	**1.63%**	**15,614,545**	**1.95%**	**–**	**0.00%**	**15,614,545**	**1.47%**	
Other pre-IPO investors									
Xinlianxin	51,400,000	5.36%	41,120,000	5.14%	10,280,000	3.88%	51,400,000	4.82%	Yes
Xinxiang Rongcheng	48,072,727	5.01%	48,072,727	6.01%	–	0.00%	48,072,727	4.51%	Yes
Jiangsu Jiequan	27,272,727	2.84%	27,272,727	3.41%	–	0.00%	27,272,727	2.56%	Yes
Xiaomi Changjiang	25,000,000	2.61%	25,000,000	3.12%	–	0.00%	25,000,000	2.35%	Yes
Shenzhen Gongchuang	24,318,182	2.54%	24,318,182	3.04%	–	0.00%	24,318,182	2.28%	Yes
Kunde Partnership	24,036,364	2.51%	24,036,364	3.00%	–	0.00%	24,036,364	2.26%	Yes
Mr. Song	20,400,000	2.13%	20,400,000	2.55%	–	0.00%	20,400,000	1.91%	Yes
Xinchao Jixiang	20,000,000	2.09%	20,000,000	2.50%	–	0.00%	20,000,000	1.88%	Yes
Nanjing Yuanjun	20,000,000	2.09%	20,000,000	2.50%	–	0.00%	20,000,000	1.88%	Yes
Shanghai Quanqi	20,000,000	2.09%	20,000,000	2.50%	–	0.00%	20,000,000	1.88%	Yes
Jiaxing Taiying	17,000,000	1.77%	8,500,000	1.06%	8,500,000	3.21%	17,000,000	1.60%	Yes
Mr. Zhu	17,000,000	1.77%	17,000,000	2.12%	–	0.00%	17,000,000	1.60%	Yes
Azure VC	13,781,818	1.44%	–	0.00%	13,781,818	5.20%	13,781,818	1.29%	–
Xunxing Investment	10,909,091	1.14%	10,909,091	1.36%	–	0.00%	10,909,091	1.02%	Yes
Ningbo Xinshuo	10,909,091	1.14%	10,909,091	1.36%	–	0.00%	10,909,091	1.02%	Yes
Yuanhe Puhua	9,659,091	1.01%	–	0.00%	9,659,091	3.64%	9,659,091	0.91%	–
Jiaxing Haoqi	9,272,727	0.97%	9,272,727	1.16%	–	0.00%	9,272,727	0.87%	Yes
Zhuhai Hongtu	9,000,000	0.94%	4,500,000	0.56%	4,500,000	1.70%	9,000,000	0.84%	Yes
Qixin Yuanchuang	7,484,459	0.78%	7,484,459	0.94%	–	0.00%	7,484,459	0.70%	Yes
Xianghe Yongjun	7,272,727	0.76%	7,272,727	0.91%	–	0.00%	7,272,727	0.68%	Yes
Longxin Juneng	7,100,000	0.74%	7,100,000	0.89%	–	0.00%	7,100,000	0.67%	Yes
Changtuoshi VC	6,000,000	0.63%	6,000,000	0.75%	–	0.00%	6,000,000	0.56%	Yes
Huaye Xuchuang	5,681,818	0.59%	5,681,818	0.71%	–	0.00%	5,681,818	0.53%	Yes
Huaye High Tech	5,454,546	0.57%	5,454,546	0.68%	–	0.00%	5,454,546	0.51%	Yes
Hengrui No. 6	5,454,545	0.57%	5,454,545	0.68%	–	0.00%	5,454,545	0.51%	Yes
Ms. Zheng	5,000,000	0.52%	5,000,000	0.62%	–	0.00%	5,000,000	0.47%	Yes
Ningbo Chentong	4,000,000	0.42%	4,000,000	0.50%	–	0.00%	4,000,000	0.38%	Yes
Jinpu Pengyuan	3,636,364	0.38%	3,636,364	0.45%	–	0.00%	3,636,364	0.34%	Yes
Jinpu Consumer	3,636,364	0.38%	3,636,364	0.45%	–	0.00%	3,636,364	0.34%	Yes
Jinpu Technology	3,636,364	0.38%	3,636,364	0.45%	–	0.00%	3,636,364	0.34%	Yes
Gaintech	3,000,000	0.31%	3,000,000	0.37%	–	0.00%	3,000,000	0.28%	Yes
Sumin Fengfan	3,000,000	0.31%	3,000,000	0.37%	–	0.00%	3,000,000	0.28%	Yes
Longcheer Technology	2,781,818	0.29%	–	0.00%	2,781,818	1.05%	2,781,818	0.26%	–
Suzhou Fenhu	2,000,000	0.21%	2,000,000	0.25%	–	0.00%	2,000,000	0.19%	Yes
Longxin Intelligent	1,900,000	0.20%	1,900,000	0.24%	–	0.00%	1,900,000	0.18%	Yes
Shenzhen Hongtu	1,000,000	0.10%	500,000	0.06%	500,000	0.19%	1,000,000	0.09%	Yes
Zhuoyuan Investment	909,091	0.09%	909,091	0.11%	–	0.00%	909,091	0.09%	Yes
Subtotal	**456,979,914**	**47.65%**	**406,977,187**	**50.84%**	**50,002,727**	**18.85%**	**456,979,914**	**42.88%**	
H shareholders under the Global Offering	**–**	**0.00%**	**106,562,500**	**13.31%**	**–**	**0.00%**	**106,562,500**	**10.00%**	
Total	**959,061,732**	**100.00%**	**800,471,687**	**100.00%**	**265,152,545**	**100.00%**	**1,065,624,232**	**100.00%**	

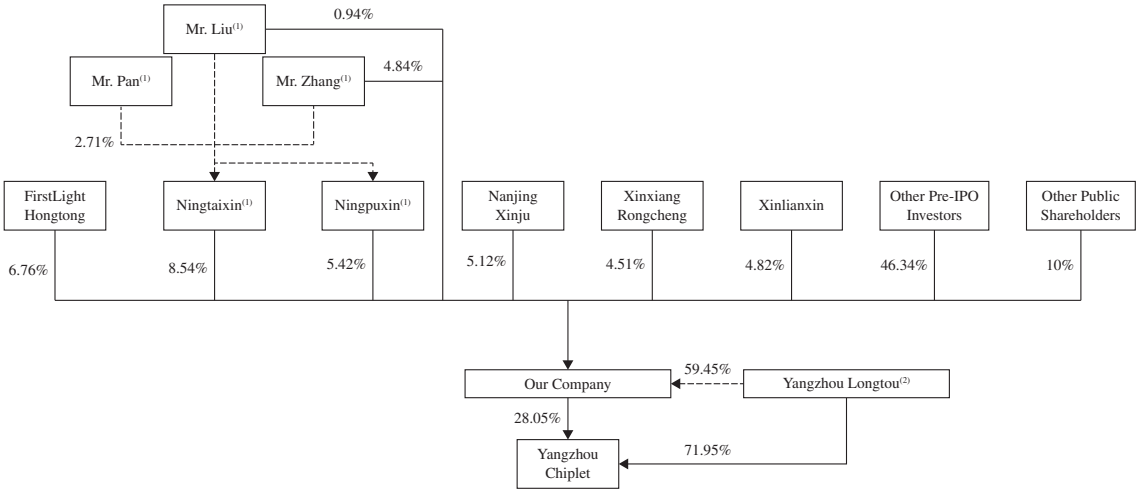
CORPORATE STRUCTURE BEFORE THE GLOBAL OFFERING



(1) Mr. Zhang, Mr. Pan, Mr. Liu, Ningpuxin and Ningtaixin entered into an concert party agreement dated June 8, 2023. Pursuant to the aforesaid agreement, which shall remain effective for an initial period of five years following the Company's listing on any stock exchange, and will be automatically renewed upon expiry of such five-year period without any further action by the parties, (i) they shall consult each other in respect of any decision relating to the business operation and corporate governance of the Company and reach consensus before voting unanimously at the general meetings of the Company, and (ii) where consensus cannot be reached between the parties, parties shall follow the instructions of Mr. Zhang. As a result, Mr. Zhang, Mr. Pan, Mr. Liu, Ningpuxin and Ningtaixin are deemed to be parties acting in concert.

(2) Yangzhou Longtou and our Company entered into a voting rights entrustment agreement dated February 1, 2023, pursuant to which Yangzhou Longtou agreed, among other things, to irrevocably entrust to our Company the voting rights attached to its 59.45% equity interest in Yangzhou Chiplet for a term of five years in accordance with the terms thereunder. As a result, our Company has control over Yangzhou Chiplet and Yangzhou Chiplet is accounted for as our subsidiary.

CORPORATE STRUCTURE UPON COMPLETION OF THE GLOBAL OFFERING



For footnotes (1) and (2), see above for details.

OVERVIEW

Who We Are

We are a provider of semiconductor assembly and testing services, principally engaged in developing packaging design, offering customized packaging products as well as packaging product testing service.

According to Frost & Sullivan, upon the "post-Moore era" where growth in transistor density reaches its scaling limit, reliance on new semiconductor packaging architectures as a critical link between chip design and application becomes the key driver for enhancing performance, efficiency and flexibility of chip functionality.

Since our establishment in September 2020, we have explored the field of traditional and advanced packaging, accumulated know-how on our packaging technology and equipped ourselves with mass-production capability for traditional and advanced packaging, covering QFN, BGA, LGA, WLP and 2.5D/3D products. We launched "Chiplet and Advanced Package integration Center (CAPiC)", a platform to advance our technological know-how and continue to develop new technologies across all technical branches of the traditional and advanced packaging domain.

Our packaging products gained recognition from various well-established customers, resulting in a strong revenue growth during the Track Record Period. Our revenue increased from RMB509.1 million in 2023 to RMB827.4 million in 2024, and further to RMB1,012.2 million in 2025, and increased from RMB306.4 million for the four months ended April 30, 2025 to RMB359.7 million for the four months ended April 30, 2026. We had a loss of RMB358.9 million, RMB376.6 million, RMB483.1 million, RMB163.6 million and RMB161.9 million in 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, respectively. We experienced an improvement in our gross loss margin for the years ended December 31, 2023, 2024 and 2025 at 38.4%, 20.1% and 18.0%. We narrowed our loss margin from 20.5% for the four months ended April 30, 2025 to 17.9% for the four months ended April 30, 2026, manifesting our endeavor to maintain sustainability and pursue our path to profitability.

Our position in packaging industry is solidified by our continuous efforts in technological innovation and advancement. We have registered, and are in the process of registering, our self-developed intellectual properties to safeguard our technological know-how against third parties and unauthorized use. As of the Latest Practicable Date, our Group possessed 232 patents, which consisted of 41 invention patents and 191 utility model patents in the PRC. We also owned three PCT patent applications. This extensive intellectual property portfolio not reinforces our competitive advantage drive future advancement in packaging technology.

We operate on an OSAT model, while our customer would focus on semiconductor chip design and wafer manufacturing. The OSAT model not only allows us to focus our expenditure on R&D in know-how on packaging techniques and equipment and facilities specifically utilized for packaging and testing. Semiconductor chip design companies are increasingly focused on reducing time-to-market, and having the right packaging technology and capacity is essential. Many of them lack the equipment or expertise to develop packaging products at scale, prompting them to rely on independent OSAT providers like us. As packaging design, production, and testing become more complex and having its own niche, outsourcing to OSAT companies, offers a cost-effective path. Our OSAT model allows us to invest in packaging R&D and specialized facilities, helping customers access new technologies without intensive in-house development. According to Frost & Sullivan, our Company ranked seventh among China's general-purpose OSAT companies in terms of revenue from semiconductor advanced packaging and testing in 2025, with a market share of 0.6%. General-Purpose OSATs provide advanced packaging and testing services for a broad range of chips deployed across diverse industries, with flexible technical capabilities to accommodate varied customer requirements. In contrast, Application-Specific OSATs provide advanced packaging and testing services focused on chips built for specific applications, where their technologies and processes are engineered to satisfy the unique specifications of such specialized markets.



Market Opportunities

According to Frost & Sullivan, the global semiconductor market reached RMB5,672.1 billion in 2025 and is projected to grow to RMB17,095.2 billion by 2030; and the PRC market grew to RMB1,905.2 billion in 2025 and is expected to reach RMB4,743.6 billion by 2030. The global semiconductor packaging and testing market expanded from RMB495.6 billion in 2020 to RMB804.8 billion in 2025, with the PRC reaching RMB314.4 billion in 2025. By 2030, the global semiconductor packaging and testing market is expected to reach RMB1,383.1 billion, while the PRC market is forecasted to reach RMB598.2 billion. Globally, the advanced packaging and testing market grew from RMB214.1 billion in 2020 to RMB396.7 billion in 2025, and is expected to reach RMB790.3 billion by 2030. In 2026, it is projected to surpass traditional packaging, accounting for over 50% of the total packaging market according to Frost & Sullivan. In the PRC, the advanced packaging market reached RMB126.2 billion in 2025 and is forecasted to grow to RMB298.5 billion by 2030 with a CAGR of 18.8% from 2025 to 2030, which is expected to outpace the global growth according to Frost & Sullivan.

The market is experiencing unprecedented growth, driven by: (a) strong national policy support; (b) expanding applications in artificial intelligence (AI), high-performance computing (HPC) and the rise of AI-powered consumer electronics; and (c) the ongoing trend of domestic substitution and localization of packaging technologies.

(a) ***Strong Policy Support***. On August 26, 2025, China's State Council issued the Opinions on Deepening the Implementation of the Artificial Intelligence Plus Action (國務院關於深入實施"人工智能+"行動的意見), outlining a strategic framework across six key areas, including technological innovation, industrial upgrading, and social governance. The policy sets a target penetration rate of over 70% for next-generation intelligent terminals and AI agents by 2027. It is expected to drive the growth of high-speed optical communication infrastructure and create increased demand for automotive-grade advanced packaging. Our TGV and TMV technologies enhance chip integration density and reduce signal transmission loss, supporting the low-latency, high-reliability needs of computing networks and unlocking significant potential in projects of national scale.

(b) ***AI and Emerging Consumer Electronics as Growth Drivers***. According to Frost & Sullivan, the expansion of AI and HPC applications is pushing demand for greater computing power, memory bandwidth and energy efficiency. As semiconductor processes advance toward 3nm and beyond, physical and cost challenges intensify, making packaging technologies, critical for boosting performance and integration while reducing costs. At the same time, the shift from "cloud-based AI" to "edge AI" is accelerating as edge AI integrates algorithms directly into devices like smartphones and wearables, enabling real-time processing and enhancing privacy. This trend is reshaping consumer electronics, driving demand for high-density, low-power and high-bandwidth packaging technologies across applications like smart vehicles, AI computers and so-forth.

(c) ***Continuous Momentum in Domestic Substitution***. Countries worldwide are strengthening semiconductor industry support policies. Geopolitical factors are accelerating the localization of packaging technologies. In the PRC, measures like special subsidies and R&D incentives optimize industrial chain layout for packaging. Localization of key industry links (chip design, manufacturing, equipment supply) has accelerated, and domestic enterprises' share in the packaging market has gradually risen. Policy in the PRC tends to encourage domestic enterprises to attract capital and talent, promote upstream-downstream coordinated development, and enhance supply chain self-reliance and international competitiveness in the field of packaging. According to Frost & Sullivan, as driven by changing international trade environments and PRC's demand for domestic and independent semiconductor development, localization in packaging and testing has become more prominent. PRC enterprises have made continuous breakthroughs in packaging technology. As the scale of R&D, talent cultivation, and capital investment increase, the localization process is expected to further accelerate.

OUR STRENGTHS

Providing End-to-End Technical Capabilities Powered by New Technologies

Since our inception in 2020, we capitalized on the evolution of packaging technologies to develop innovation-driven product ecosystem. We successfully commenced our mass production of packaging products in different phases: (a) in 2021, we achieved technological capability of mass production of QFN, WLP and LGA, and possessed the packaging know-how of System-in-Package (SiP), which lays the foundation for system-level packaging; (b) in 2022, we continued to enrich our know-how by commencing the production of BGA, while equipping ourselves with high-density integration capability with chiplet technology; (c) in 2024, we achieved another breakthrough by possessing the mass production ability for 2.5D/3D (FOCT-R).

In 2023, we launched our CAPiC platform, encompassing four core technology domains, namely, LDFO, 2.5D/3D, X-SiP and TXV. Our platform aims to deliver high-bandwidth, low-latency and reliable packaging technologies tailored for high-performance computing, AI and data center applications. Through development, we established a comprehensive technical infrastructure that spans traditional and advanced packaging and testing capabilities. We are equipped with packaging technologies, including 2.5D/3D integration, bumping, flip chip (FC), and wire bonding (WB), while testing processes cover PreBump-CP, PostBump-CP, and final testing (FT). This enables the delivery of technical solutions for a wide range of applications, including processors, computing chips, RF modules, power and audio components, and various density memory products. By consolidating packaging and testing under one roof, we are able to accelerate production timelines, reduce logistics and coordination costs, resolve technical challenges more holistically and minimize customer management overhead.

Since 2025, we strengthened our R&D and production capabilities in advanced packaging technologies across three major areas: GPUs, optical modules, and high-end AI power management chips. Leveraging core processes, such as, bumping, TSV, TMV, 2.5D/3D, SiP, FC-LGA, and FC-CSP, we positioned ourselves to meet next-generation AI computing and high-speed optical interconnect packaging demands. Each segment achieved technological validation and customer adoption.

(a) ***Advanced packaging for optical modules****:* In the field of high-speed optical modules, we leverage advanced packaging technologies, such as, bumping, TMV, and TSV to achieve interconnection of high-speed electronic integrated circuits (EIC)/photonic integrated circuits (PIC) chips, supporting innovation and product implementation in cutting-edge near-packaged optics (NPO) and CPO architectures. By the end of 2025, we initiated technical exchanges with leading domestic optical module enterprises, subsequently signed NDA confidentiality agreements, and formally commenced deep product collaboration.

Linear Pluggable Optics-electronic integrated circuits (LPO–EIC) & photonic integrated circuits-flip chip (PIC–FC). We completed full-process validation of the customer's product, and possess mass production capability at the beginning of 2026, with current monthly packaging capacity reaching 1,500 silicon photonics wafers. As of early 2026, we had introduced 20 product devices to a customer becoming its strategic partner in the advanced packaging area.

Near-packaged optics- electronic integrated circuits (NPO–EIC) & photonic integrated circuits (PIC–2.5D). We overcame multiple technical challenges, standing out in competition with leading domestic OSAT enterprises. We successfully delivered the world's first-generation NPO daisy-chain samples, which passed open/short (O/S) reliability testing in the customer's laboratory. As of the Latest Practicable Date, the product remained under development.

(b) ***Advanced packaging for high-end AI power management chips.*** For application scenarios involving high-end power management chips in AI servers, we introduced an integrated packaging technologies based on bumping, SiP, FC-LGA, and FC-CSP, which meets the technical requirements of high power, high reliability, and miniaturization in AI server power management. We established strategic cooperation with leading international power management chip enterprises, with multiple packaging products undergoing reliability assessments. Large-scale mass production is planned for the second half of 2026. In early 2026, we held technical and business exchanges with a leading AI power management manufacturer. A series of customized packaging production line services for the customer were finalized, and both parties confirmed multiple packaging product lines and mass production intentions for future cooperation. These developments represent our recent achievements and reflect our commitment to advanced packaging technologies to meet the demands of next-generation AI infrastructure.

(c) ***Advanced packaging for GPU high-performance computing***. In the field of GPU high-performance computing, we laid out the 2.5D/3D advanced packaging technology roadmap and developed the FOCT-R, FOCT-S, and FOCT-L series packaging process platforms, which support high-end packaging requirements for high-performance computing chips. Among them, the FOCT-R packaging achieved batch production in 2024; FOCT-S and FOCT-L completed internal production line integration and process validation. In early 2026, we engaged with multiple domestic GPU design enterprises on product R&D and packaging adaptation, with product evaluation expected to commence in the second half of 2026.

We continue to increase investment in R&D and production lines of our packaging technology, building technological barriers, securing partnerships with leading customers, and ramping up mass production capabilities in areas, such as, high-speed optical interconnects, AI power management, and GPU high-performance computing. These efforts align with the rapidly growing packaging market demand driven by next-generation AI infrastructure, laying a foundation for our future performance growth and solid industry position.

Strong Market Recognition with Diverse Customer Portfolio Through Technical Excellence

By excelling in packaging innovation, we earned recognition from a wide array of customers. This has led to the formation of a diversified customer base across key chip segments. These capabilities enable precise service delivery to high-growth downstream markets, including AI, edge computing, automotive electronics and emerging consumer applications. In particular: (a) In the System-on-Chip (SoC) domain, we have leveraged our packaging technologies, including 2.5D integration, WB-BGA, FC-BGA, and Hybrid-BGA, to build partnerships with industry leaders. We have secured customers such as MediaTek Inc. (聯發科技股份有限公司) (2454.TW), which is ranked among the world's top five fabless semiconductor companies and a leading mobile chip manufacturer in the PRC; (b) In the display chip sector, we build strong relationships with top-tier customers, including Amlogic (Shanghai) Co., Ltd. (晶晨半導體(上海)股份有限公司) and Novatek Microelectronics Corp. (聯詠科技股份有限公司) (3034.TW); (c) In the RF front-end sector, we developed expertise in WB-LGA, FC-LGA, and Hybrid-LGA packaging technologies. These capabilities have attracted customers, including Radrock (Chongqing) Technology Co., Ltd.* (銳石創芯(重慶)科技有限公司), Lansus Technologies Inc.* (深圳飛驤科技股份有限公司), XinpleTek (Shanghai) Co., Ltd.* (芯樸科技(上海)有限公司), Smarter Microelectronics (Guangzhou) Co., Ltd.* (廣州慧智微電子股份有限公司) (688512.SH) and Xinrui Microelectronics (Kunshan) Co. Ltd.* (芯睿微電子(昆山)有限公司); (d) In the Bluetooth segment, we utilized QFN packaging technology to serve customers, including Beken Corporation* (博通集成電路(上海)股份有限公司) and Bluetrum Technology (Shenzhen) Co., Ltd.* (深圳市中科藍訊科技股份有限公司); (e) In the power management sector, we applied QFN and WLP technologies to support compact, high-efficiency chip designs, enabling collaborations with customers, such as, Southchip Semiconductor Technology (Shanghai) Co., Ltd.* (上海南芯半導體科技股份有限公司) Joulwatt Electronic Co., Ltd.* (傑華特微電子股份有限公司), Shenzhen Injoinic Technology Co., Ltd.* (深圳英集芯科技股份有限公司) and Shanghai Awinic Technology Co., Ltd.* (上海艾為電子技術股份有限公司).

During the Track Record Period, our industry reputation and high-quality delivery enabled us to secure ongoing orders and earn recognition from customers. This has led to the accumulation of a solid customer base, with quality certification obtained from over 200 direct clients and from more than 50 end customers.

We are positioned to elevate our brand image and strengthen customer confidence in the packaging market. Achieving a remarkable CAGR of 41.0% from 2023 to 2025 and reaching RMB1,012.2 million in revenue for the year ended December 31, 2025, we demonstrated our ability to scale efficiently while delivering cutting-edge solutions. This financial strength together with our innovation and customer-centric execution empowers us to build a trusted brand and deepen long-term partnerships with our customers.

Use of Intelligent Manufacturing and Quality Management System

In line with the characteristics of advanced packaging, namely multi-technology integration and high customization, we have developed and implemented an automotive-grade quality management system using a new industrial internet system architecture, from equipment control logic and data exchange protocols to production management algorithms. Our system has been certified with ten certifications, including ANSI/ESD S.20.20-2021 (Assembly and testing of semiconductor integrated circuits), ISO9001 (Assembly and testing of semiconductor integrated circuits), IATF16949 (Manufacturing — Design and development of products – Assembly of semiconductor integrated circuits), ISO50001 (Energy management system), and ISO14001 (Research and Development, Product, and Testing of Advanced Packaging and Integrated Circuits).

For quality management, we adopted a dual-engine model of autonomous yield control and real-time big data monitoring: (a) the autonomous yield control module uses preset, refined quality parameters to detect abnormal fluctuations during production, intercepting potential risks and shifting quality control from post-inspection to preemptive prevention; and (b) the real-time big data monitoring system breaks down data silos across production and inspection, aggregating equipment operation data, product test data, and process flow information for real-time analysis. This enables dynamic optimization of production parameters. The effective operation of this system has improved our packaging and testing yields with stability and consistency, thereby laying a solid foundation for sustained business expansion.

Management Team with Pioneering Aspirations and Extensive Experience

Our chairman, Mr. Zhang (張國棟) aims to be an innovative visionary committed to upholding his dedication to and persistence in packaging innovation. With a distinguished academic and industry experience record, Mr. Zhang uses understanding of industry trends and customer needs to guide the Company's technological advancement and product positioning. The leadership by Mr. Zhang was pivotal in steering our Company to robust growth during the Track Record Period as our Company continues to achieve important milestones and materialize mass production since its inception. Mr. Zhang and, our senior management team possess extensive experience in enterprise management, product development and financial governance. Backed by Mr. Zhang's leadership, our Company is supported by a robust R&D department of 277 dedicated employees as of April 30, 2026, many of whom are semiconductor industry veterans. Our R&D department's expertise not only underpins our technological capability, but also underscores our commitment to driving industry innovation in the field of packaging.

STRATEGY

Continual R&D Strengthening Technological Barriers

We plan to solidify our position in the packaging industry by relentless R&D effort. We expect to enrich our know-how in packaging, iterate our products and elevate our product specifications and technological barriers. Our R&D strategy spans five key dimensions, including: (a) ***High-Performance 2.5D/3D Packaging technologies.*** We are developing full-stack solutions for logic, memory and optoelectronic chips, as well as RF modules. These technologies address the challenges of high-density heterogeneous integration and serve applications in 5G, consumer electronics, AI and data centers; (b) ***High-Precision Optical Sensing Solutions.*** Focused on advancing packaging for optical sensing chips, we aim to strengthen our technological edge in consumer electronics and industrial inspection; (c) ***Automotive-Grade Packaging Technologies***. We are creating robust packaging technologies tailored to the demanding automotive environment. These technologies meet the integration and stability needs of millimeter-wave radar and automotive-grade sensors; (d) ***Innovative Glass Substrate Technologies.*** By overcoming limitations of traditional organic substrates, we are developing high-density, low-loss glass-based carriers for high-end packaging.

These are designed to support AI computing chips and advanced RF modules; and (e) ***Iterative Development of Existing Technologies.*** As AI and IoT applications expand, we are upgrading our existing product lines to meet evolving market demands for smaller, more powerful and highly integrated packaging products.

Furthermore, guided by our fifth generation R&D strategy, we are intensifying investment with a focus on "2.5D/3D packaging" as the core engine, driving coordinated breakthroughs across multiple technology domains. In particular: (a) ***Platform Development under the CAPiC Framework.*** We are deepening the construction of four major technology platforms, namely LDFO, X-SiP, TXV, and 2.5D/3D, within the CAPiC architecture to reinforce the technical foundation across our full product portfolio; (b) ***Advancing FOCT-S and FOCT-L (equivalent to COWOS-S/L) for Mass Production***. They are designed to meet the heterogeneous integration needs of mobile application processors and high performance computer (HPC) AI chips, and serve as critical enablers for collaboration with global tier-one customers; and (c) ***TGV Technology as a Key Enabler***. TGV technology offers interconnect density and low transmission latency. It overcomes the limitations of traditional silicon-based TSVs in large-scale high-frequency applications. We are establishing a comprehensive TGV technology matrix to accelerate product development and application deployment.

Specifically, we plan to advance the following: (a) *2.5D/3D Products: Core Engine for High-Density Interconnection.* 2.5D/3D packaging is key to overcoming silicon-based computing limits. We will focus on technologies like large-scale SoC-HBM interconnects, CPO optical links, wide-view interposer packaging for application processor — wafer-level multi-chip module, and advanced CT optical sensing. Development spans organic, silicon, glass, and embedded interposer substrates; (b) *LDFO Products: Automotive-Grade and RF Packaging Technologies.* We are advancing high-reliability automotive-grade packaging and efficient RF integration to lead in millimeter-wave radar and 5G RF applications. Focus areas include radar packaging, antenna-in-package, and GaN co-packaging; (c) *TXV Products: Breakthrough in Substrate Packaging:* We aim to overcome the limitations of silicon-based packaging with glass substrates and molded through-hole substrates. Focus areas include glass-based IPD development, RF modules and phased arrays, and high-performance GPU packaging based on molded through-hole substrates; (d) *X-SiP Products: High-Performance RF Module Innovation.* By building an independent X-SiP platform, we seek to develop technologies including, EMI shielding, DSmSiP processes, and OLGA packaging; (e) *QFN Products: Breakthrough to Large Sizes and Wettable Flank structures to Unlock High-Value Potential.* The business of QFN will focus on developing and mass producing large-size products, shifting away from small-size packages due to high costs and limited revenue. R&D efforts are underway for 15×15 mm formats to target high-end markets. Wettable Flank structures is introduced for automotive applications to support the upgrade of vehicle electronics; (f) *BGA Products: Breakthrough in Ultra-High-End Packaging.* We will focus on three key R&D directions: large-size substrate packaging, strip-type heat sink packaging, and embedded core substrate packaging. These innovations aim to support ultra-high-end chip packaging needs; and (g) *LGA Products: Innovation in High-End Module Integration.* We plan to develop high-density SiP module packaging, high-performance filter lamination processes, and fingerprint recognition chip packaging.

Through this strategic focus, we plan to establish ourselves as a key player in the packaging market. For details of our R&D, see "Research and Development".

Strategic Expansion into Overseas Market

We aim for growth as we expand our operations into international markets, with a particular focus on Taiwan, China, South Korea, Japan, Southeast Asia, the U.S. and Germany. Our objective is to establish a strong presence in Taiwan, China, South Korea, Japan, Southeast Asia, the U.S. and Germany, where the demand for packaging products is increasing. Our expansion in these key markets would help us leverage emerging market opportunities to drive revenue and brand recognition. We will deepen our engagement with two of the leading fabless semiconductor companies in the Taiwan, China, and cultivate new business relationships by enhancing the marketing and business development initiatives of our sales department. We plan to explore new business opportunities in the packaging market in cities, including Taipei and Hsinchu, for our further engagement.

Broaden our Customer Base and Deepen our Relationships with Customers

We plan to attract new customers to grow our customer base by fostering close engagement with our potential new customers through visits, online communications and industry events, so that our targeted new customers are informed about our technological innovations, while also allowing us to gain an understanding of their needs and challenges. Meanwhile, we plan to strengthen our sales with existing customers in the PRC, such as Amlogic, by exploring new areas of cooperation with our new packaging products. We plan to deepen our collaboration with existing customers, and establish long-term business relationship with new customers by expanding our sales department and bringing in experienced sales personnel, enhancing digital marketing and related systems, strengthening our brand promotion and technical support and after-sales services. We also plan to improve the abilities of our sales department personnel with regular training and strengthen their interactions with other departments so to deepen their understanding of our technologies and product offerings.

Steadily Expand Production Capabilities Driven by Changes in Market Demand

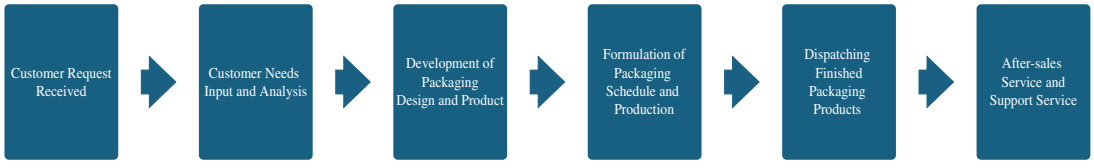
We plan to further expand our production capabilities to satisfy increasing demand from our customer for our packaging products. We plan to purchase equipment and machinery, with an aim to strategically expand our 2.5D/3D and substrate-based packaging capacity. We plan to build and expand new production bases and production lines. We also intend to upgrade our production facilities to improve production efficiency by replacement and optimization of key equipment and production lines; and recruit personnel to support the expansion and upgrade.

Strengthening Talent Development for Long-Term Growth

We are advancing our human resources development by building a talent system with a global perspective. We plan to attract and retain industry talent by enhancing career development pathways, optimizing incentive mechanisms and fostering a positive work environment. For details on implementation of our strategies, see "Future Plans and Use of Proceeds".

OUR BUSINESS MODEL

We provide our customers with packaging products and testing service through a number of key workflow processes. The following illustrates the key steps of our packaging business operation workflow:



(1) ***Customer Request Received from Newly Developed Business or Existing Customer Relationships.*** Our customers may be acquired through business development efforts of our sales department or may be returning customers to whom we had previously provided packaging products.

(2) ***Customer Needs Input and Analysis.*** During this initial phase, we engage in discussions with our customer to understand their needs and requirements, and tailor solutions to their needs such as, efficiency improvements, optimization and development of new technologies or products. We consider the scenarios our packaging design may have to face to determine the optimal range of parameters required for the packaging processes, including the size of the packaged chip, operating temperature limits and other conditions. We also determine the extent of the customization required during this stage to meet the customer's needs

(3) ***Development of Packaging Design and Product.*** We account for our customer's needs and system infrastructure of the end-customer's products to ensure that their needs are reflected in our packaging design and product. We conduct relevant R&D and perform feasibility studies to ensure that the proposed design and product align with our customer's requirements. Our feasibility studies generally include considerations of cost, efficiency, production rate and protection control requirements of the final product from overheating and other situations adversely impacting product performance, among others. A cross-departmental team ("**CDT**") consisting of representatives from various departments, such as R&D, sales and production is set up to formulate a packaging design and product development plan. This may involve exploring new packaging technologies or materials to enhance the product's performance and reliability.

(4) ***Formulation of Packaging Schedule and Production.*** Once the customer confirms to proceed with the execution of the packaging production, we would formulate a procurement and packaging schedule and coordinate on the arrangements for materials from our suppliers, workflow, management and oversight structure, manpower and resource allocation and packaging capacity and timeframe to ensure that the requisite packaging quality, quantity and delivery timeframe of our customer are met. The key stages of our packaging production vary from different packaging product. See "— Our Packaging Production Processes" in this section.

(5) ***Dispatching Packaged Products to Customers.*** Upon completion of the entire packaging production, we generally dispatch the packaged products to our customer's warehouse. Dispatching and logistics are the final stages in the packaging process, occurring after successful final testing and inspection. This phase involves preparation and transportation of packaged products to customers while ensuring their integrity and safety.

(6) ***After-sales Service and Support Service.*** After the packaged products are delivered, our sales department continues to provide after-sales customer service and support to the customer in relation to the packaged products. Such support includes consultation and advisory services for resolving customer queries, post-delivery verification of faulty packaging and coordination with customer on the return of goods sold. See "Quality Control and Product Recall Policy" in this section.

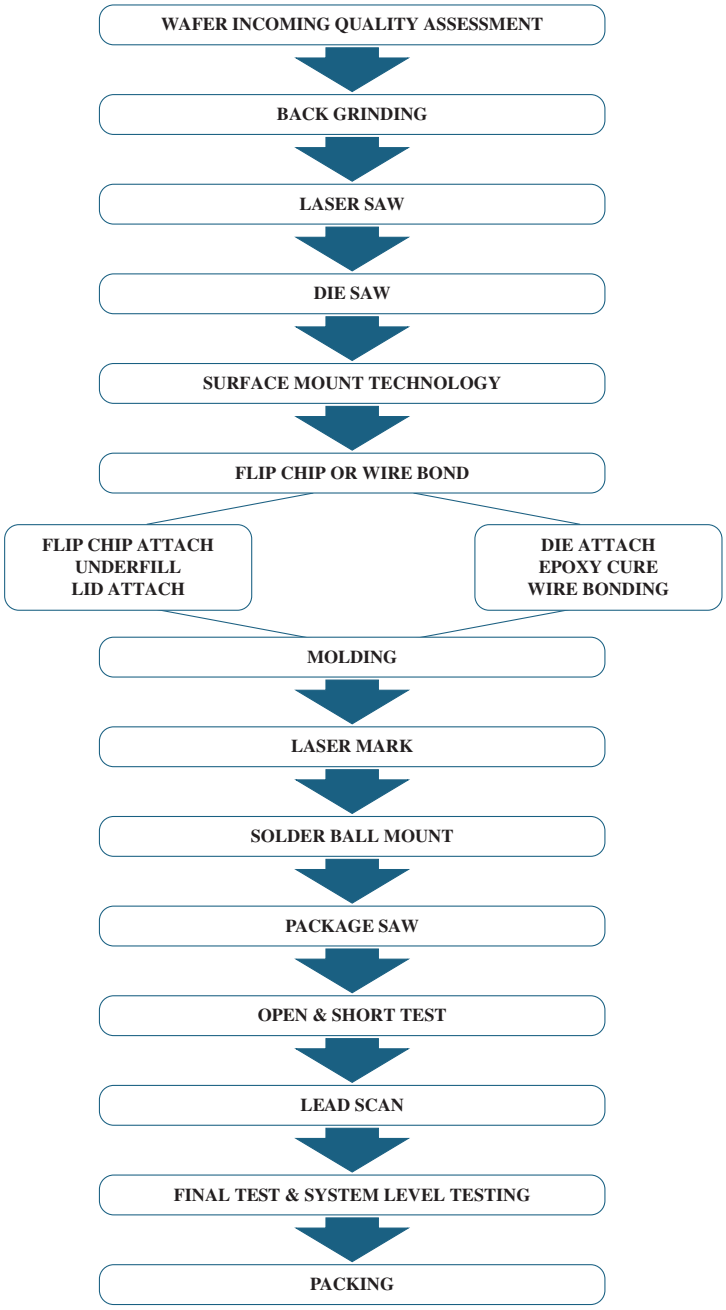
During the Track Record Period, we sold to our customers scrap and raw materials, primarily consisting of scrap copper and other metal materials, which contributed to an insignificant portion of our total revenue.

OUR PACKAGING PRODUCTION PROCESSES

Our production processes vary depending on the types and models of our packaging products. The following illustrates major steps in the production of our key products.

QFN, BGA and LGA Turnkey Processes

Our production processes for our QFN, BGA and LGA products can be divided into several major stages. Set forth below are details and explanations of key steps generally applicable, depending on the type and characteristics of the packaging products:



(1) *Wafer Incoming Quality Assessment (IQA).* It refers to the processes used to evaluate the quality of wafers before they are used in packaging production.

(2) *Back Grinding*. The back grinding process involves grinding the backside of a wafer to achieve a specific target thickness. This precision technique is essential for thinning the wafer, which enhances its performance and reduces material usage in the final packaging product.

(3) *Laser Saw.* The laser saw process utilizes a laser to remove metal and dielectric layers from the surface of silicon wafer, improving scribe line quality and reducing peeling issues.

(4) *Die Saw.* The die saw process involves the separation of a wafer into individual dies using a dicing blade. This precision cutting technique ensures that each die is separated while maintaining the integrity.

(5) *Surface Mount Technology.* Surface mount technology process involves placing electronic components suitable for surface amount production (resistors, capacitors, inductors, etc) on the substrate and soldering them using techniques like reflow soldering.

(6) *Flip Chip or Wire Bond Processes.* FC uses solder bumps with the chip facing down for shorter, high-performance connections ideal for compact, high-speed devices; while WB process places the chip facing upward and connects it with thin wires, offering a simpler, cost-effective solution suitable for most traditional electronics.

(a) *Flip Chip Attach.* The FC die attach process is used in our FC-BGA, FC-LGA and FC-QFN products, which involves sorting the good dice and forming the first level interconnection by placing and joining the sawed die in the right orientation onto the substrate with solder bumps reflowed to join the die to substrate. It is carried out by picking up the die from wafer and get it flip, than dip flux and attach the die onto the substrate.

Underfill: The underfill process involves filling the gap beneath a die with underfill material using capillary action. This technique ensures that the material flows into the voids, providing mechanical support and thermal stability to the die.

Lid Attach: The lid attach process is used in our FC-BGA product, which involves affixing a metal lid or ring around the die to provide protection and enhance thermal diffusivity. This metal lid serves as a barrier against physical damage and environmental factors, while also facilitating better heat dissipation from the die during operation.

(b) *Die Attach:* The die attach process is used in our WB-BGA, WB-LGA and WB-QFN products, which involves picking up semiconductor dice from the mounting tape and adhering them to a substrate or lead frame using either adhesive film or epoxy.

Epoxy Cure: The epoxy cure process is used in our WB-BGA, WB-LGA and WB-QFN products, which occurs after the die attach phase, where the adhesive used to bond the semiconductor die to the substrate is cured. This process typically involves applying heat or ultraviolet light to initiate the curing reaction, transforming the epoxy from a liquid state to a solid bond.

Wire Bonding Process: The wire bonding process is adopted for our WB-BGA, WB-LGA and WB-QFN products, which involves creating electrical connections between the semiconductor dice and the substrate fingers using fine wires.

(7) *Mold.* Injection molding is a process that involves using encapsulation materials to encase products, providing protection for internal components, such as, chips and wire bonds.

(8) *Laser Mark.* The laser mark process involves printing content, such as our logos, dates and 2D codes, directly onto the surface of a package using laser technology. This method allows for durable and legible markings that resist wear and fading over time for product identification and traceability.

(9) *Solder Ball Mount.* The solder ball mount process is used in our BGA product, which involves placing solder balls onto designated pads on the substrate, which establishes the final connection between the chip and the external circuit.

(10) *Package Saw.* The package saw process involves precisely separating each packaged chip into individual form, while maintaining structural integrity and minimizing mechanical stress.

(11) *Open & Short Test.* The open and short test process involves connecting the O/S (Open/Short) test box to the Device Under Test (DUT) position of the main testing setup. This is achieved through two modules: the O/S (Open/Short) board and the Test Interface (TIF)/Open/Short Interface (OSIF) board cards, which facilitate communication and connection with the main test system.

(12) *Lead Scan.* The lead scan process is used in our BGA product, which involves using optical principles to scan the appearance of our packaging product for quality assessment.

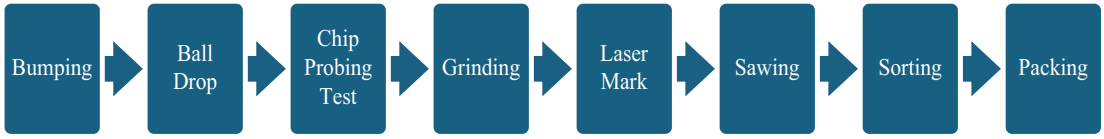
(13) *Final Test (FT) and System-level testing (SLT).* The final test process ensures each packaged product meets electrical and performance standards. Using automated test equipment, packaged chips are checked for functionality, signal integrity, and reliability under various conditions. System-level testing involves placing the packaged product into a system that closely simulates its final real-world application environment.

(14) *Packing.* Approved packaged products are sorted, labeled and packed according to customer requirements. This includes tray or tape-and-reel loading and traceable labeling. The process ensures safe handling and readiness for delivery to our customers.

WLP

WLP refers to the packaging processes completed at the wafer level, before the wafer is diced into individual chips. It generally includes Fan-In and Fan-Out types. Set forth below are details of key steps of each processing stage for our WLP (Fan-In) and WLP (Fan-Out) products:

WLP (Fan-In)



(1) *Bumping*. This step is the process of forming tiny metal bumps on the pads of each chip on a wafer to enable electrical and mechanical connections between the chip and external circuits.

(2) *Ball Drop.* Solder balls are placed on the designated RDL pads to enable external electrical connections. In WLP (Fan-In), these balls are confined within the die area, making the package compact.

(3) *Chip Probing Test.* Electrical testing is performed at this stage to verify the functionality of each die. Probes contact the solder balls or test pads to check for continuity, shorts, and performance metrics.

(4) *Grinding*. The wafer may be ground again to achieve the final target thickness. Grinding also improves heat dissipation and mechanical flexibility, while being conducted carefully to avoid damaging the die or interconnects.

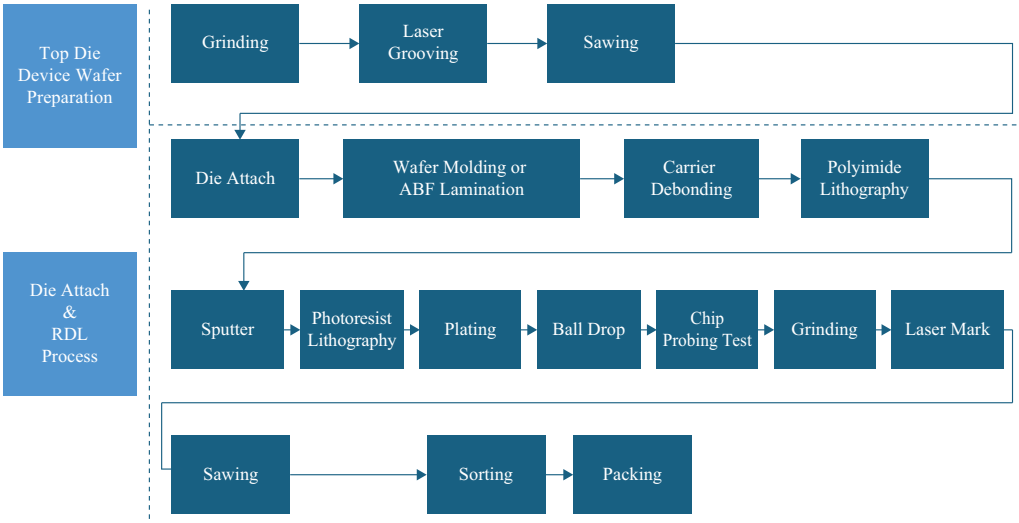
(5) *Laser Mark*. Each die is marked with a unique identifier using laser etching. This can include our logo, date and other traceability data. Laser mark is non-contact and highly precise, ensuring that the package can be tracked throughout its lifecycle without affecting its performance or reliability.

(6) *Sawing*. The wafer is diced into individual units using precision sawing tools. In WLP (Fan-In), the sawing need to be accurate to avoid damaging the solder balls or RDL structures.

(7) *Sorting*. After sawing, dies are sorted based on their electrical performance and quality. Good units are separated from defective ones and categorized into Bins for different grades or applications. Sorting ensures that only compliant packages are delivered to our customers.

(8) *Packing*. Sorted dies are packed into trays, tape-and-reel, or other formats suitable for delivery. This final step prepares the WLP (Fan-In) products for integration into electronic devices.

WLP (Fan-Out)



(1) *Grinding.* The device wafer is thinned to the target thickness to improve flexibility, thermal performance, and enable fine-pitch interconnects.

(2) *Laser Grooving (LG).* Laser grooving creates separation channels between dies. These grooves guide the dicing process and help isolate individual chips with high precision, minimizing mechanical stress.

(3) *Sawing.* The wafer is diced into individual dies using precision blades. This step separates the chips for redistribution and molding.

(4) *Die Attach.* Each die is flipped and attached to a carrier wafer or temporary adhesive film. This forms the base for fan-out redistribution and ensures accurate placement for subsequent molding.

(5) *Wafer Molding or ABF Lamination.* Dies are encapsulated in a mold compound to form a reconstituted wafer. This molded panel provides mechanical support and allows redistribution lines to extend beyond the die footprint, enabling the "Fan-Out" structure. ABF lamination is a process where Ajinomoto Build-up Film (ABF), a high-performance insulating material, is laminated onto a carrier to create fine-pitch interconnect layers.

(6) *Carrier Debonding.* The temporary carrier is removed, leaving the molded wafer with embedded dies. This step transitions the structure from assembly to interconnect formation.

(7) *Polyimide Lithography (PI Photo).* A polyimide layer is applied and patterned to insulate the RDL and relieve mechanical stress. It also defines openings for vias and solder ball pads.

(8) *Sputter.* A thin metal seed layer (typically titanium or copper) is deposited across the wafer surface. This layer serves as the foundation for electroplated redistribution lines (RDL).

(9) *Photoresist Lithography (PR Photo).* Photoresist is applied and patterned to define the routing paths for electroplating. This step ensures the precise formation of metal traces.

(10) *Plating.* Electroplating builds up copper traces on the seed layer, forming the redistribution lines that extend beyond the die area. These lines enable higher I/O density and flexible routing.

(11) *Ball Drop.* Solder balls are placed on the RDL pads to create external electrical connections. These balls allow the package to interface with PCBs using surface-mount technology.

(12) *Chip Probing Test.* Electrical tests are performed to verify die functionality and interconnect integrity. This step screens out defective units before final packaging.

(13) *Grinding.* The molded wafer may be ground again to achieve final package thickness and ensure flatness for handling and mounting.

(14) *Laser Mark.* Identification marks, date, our logo and other traceability data are etched onto each package using laser marking.

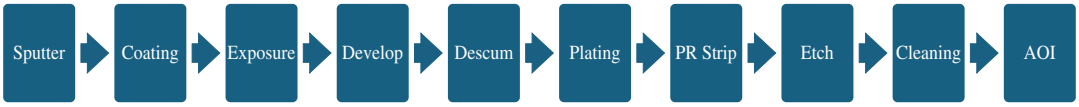
(15) *Sawing.* The molded wafer is diced into individual packages.

(16) *Sorting.* After sawing, units are sorted based on test results. Good units are separated from defective ones and categorized into Bins.

(17) *Packing.* Final units are packed into trays, tape-and-reel, or other formats suitable for delivery.

Bumping

Set forth below are details of key steps of each processing stage for our WLP Bumping product (taking 0P1M as an example):



(1) *Sputtering.* The bumping production process starts by depositing a thin metal layer, usually titanium or copper, onto the wafer using physical vapor deposition (PVD). This seed layer provides electrical conductivity for electroplating and ensures strong adhesion between the wafer and the metal bumps.

(2) *Coating.* A layer of photoresist is applied to the wafer via spin coating. This light-sensitive material defines the bump pattern during photolithography.

(3) *Exposure (Photolithography).* The wafer is exposed to ultraviolet light through a photomask that contains the bump layout. The ultraviolet light alters the chemical structure of the photoresist in specific areas. For positive photoresist, exposed regions become soluble; for negative photoresist, they become insoluble.

(4) *Development.* The wafer is developed using a chemical solution that removes either the exposed or unexposed photoresist, depending on the type. This reveals the openings where metal will be deposited.

(5) *Descum (Residual Removal).* Descum removes leftover photoresist and organic residues from the patterned openings using plasma or wet chemical cleaning. This step ensures the seed layer is clean and ready for electroplating.

(6) *Plating (Bump Formation).* Copper or solder (such as SnAg alloy) is electroplated into the openings to form the bumps. The wafer is placed in an electrolyte bath, and an electric current drives metal ions onto the seed layer.

(7) *Photoresist Stripping.* After plating, the remaining photoresist is stripped away using solvents or plasma ashing. This leaves only the metal bumps and the seed layer.

(8) *Etching (Seed Layer Removal).* The exposed seed layer around the bumps is etched away using wet or dry etching methods. This isolates the bumps and prevents unwanted electrical connections.

(9) *Cleaning.* The wafer undergoes a final cleaning to remove any remaining particles, residues, or oxides. This step typically involves chemical cleaning and rinsing with deionized water.

(10) *Automated Optical Inspection (AOI).* Automated optical inspection uses high-resolution cameras and software to inspect the wafer for defects, such as, missing, misaligned, or malformed bumps.

Testing on Packaged Product

The following illustrates major steps of our testing service on packaged products:



(1) *Storage Process.* The testing process involves several stages, starting with the storage of products awaiting further testing, packing and delivery in designated areas, such as, the routine testing warehouse, packing warehouse, and finished goods warehouse.

(2) *Bake Process.* The bake process, also known as dehumidification baking, involves removing moisture from packaging products by subjecting them to controlled heating. This process helps to eliminate any residual humidity within the products.

(3) *Final Testing (FT) & System Level Testing (SLT) Process.* In final testing process, our testing handlers categorize packaging products based on test results, sorting them into different Bins, being categories based on their test results, sorting them according to whether they pass, fail, or meet specific performance criteria. System Level Testing (SLT) refers to a testing process where the packaged products are placed in a system that closely simulates its final real-world application environment. These tests are configured and managed according to specific customer requirements.

(4) *Lead Scanning (LS).* In lead scanning process, good products undergo optical screening to ensure they meet customer specifications.

(5) *Tape-and-Reel/Tray Process.* This process involves transferring products from trays or bulk packaging into carrier tapes and winding them onto reels. This step is essential for organizing and protecting our packaging products during handling and transportation.

(6) *Quality Inspection.* The inspection process focuses on key control points by conducting manual visual inspections and quality assurance (QA) sampling based on product requirements. This ensures that any abnormalities or defects are identified.

(7) *Packing and Delivering.* It involves performing delivery packing on our packaging products according to customer specifications and requirements.

OUR PRODUCTS

We offer various types of packaging products, primarily covering QFN, LGA, BGA, WLP and 2.5D/3D. Due to the differences in electrical performance, size, application scenarios and other factors of different semiconductor products, the packaging forms are diverse and they can be divided into different categories, among which there are different packaging technologies in each category. As such, our diverse product portfolio of QFN, BGA, LGA, WLP and 2.5D/3D is designed to meet these needs across multiple categories.

The following table set forth the revenue for our packaging products in each year/period during the Track Record Period:

	For the year ended December 31,						For the four months ended April 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(unaudited)			
QFN[(1)]	172,831	34.0	277,016	33.6	313,183	31.1	90,266	29.5	123,784	34.5
BGA[(2)]	183,455	36.1	244,084	29.6	305,549	30.3	102,873	33.7	97,340	27.2
LGA[(3)]	82,003	16.1	149,955	18.2	213,032	21.1	60,305	19.7	86,478	24.1
WLP[(4)]	70,057	13.8	152,003	18.5	176,541	17.5	52,229	17.1	50,751	14.2
2.5D/3D[(5)]	5	–	603	0.1	244	–	–	–	–	–
Total	**508,351**	**100.0**	**823,661**	**100.0**	**1,008,549**	**100.0**	**305,673**	**100.0**	**358,353**	**100.0**

Notes:

(1) QFN includes FC-QFN, WB-QFN and FC-SOT, of which FC-QFN and FC-SOT are advanced packaging products and WB-QFN is a traditional packaging product.

(2) BGA includes FC-BGA, WB-BGA and Hybrid-BGA, all of which are advanced packaging products.

(3) LGA includes FC-LGA, WB-LGA, Hybrid-LGA and SiP-LGA, all of which are advanced packaging products.

(4) WLP includes Bumping, DPS, WLP (Fan-In) and WLP (Fan-Out), all of which are advanced packaging products.

(5) 2.5D/3D includes FOCT-R, which is an advanced packaging product.

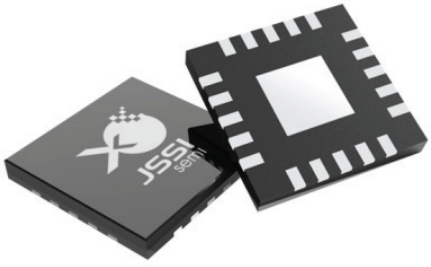
For a detailed analysis of the material fluctuations of our revenue during the Track Record Period, see "Financial Information — Period-to-period Comparisons of Results of Operations."

Our advanced packaging portfolio comprises BGA, LGA, WLP, 2.5D/3D, as well as FC-QFN and FC-SOT, while our traditional packaging offerings include WB-QFN. For the three years ended December 31, 2023, 2024 and 2025, our revenue from advanced packaging amounted to RMB346.9 million, RMB587.2 million and RMB737.4 million in 2023, 2024 and 2025, respectively, while our revenue from traditional packaging amounted to RMB161.5 million, RMB236.5 million and RMB271.2 million, respectively.

The following table sets forth our key products offered in our packaging products and their respective characteristics and application area:

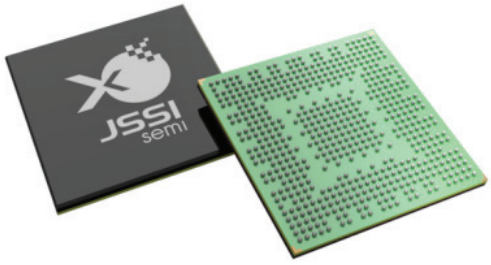
QFN (Quad Flat No-lead 方形扁平無引腳封裝)

The QFN is a type of packaging that utilizes a lead frame as the structural base for mounting semiconductor chips. One of its key features is the attachment method: the chip can be connected to the lead frame using either the WB process, or through FC process. This versatile connection method provides flexible solutions to satisfy different customer's requirements. Another significant aspect of QFN is its good thermal performance: the back of the package incorporates flat pads that facilitate connections to external circuitry, while a large exposed thermal pad at the center of the bottom efficiently dissipates heat generated during operation. QFN packages are widely used in 5G, WiFi and Bluetooth due to their compact size, good thermal performance and low inductance. The following picture illustrates our typical QFN product:



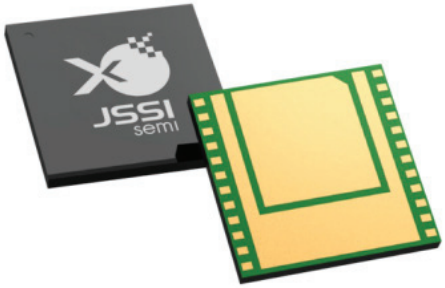
BGA (Ball Grid Array 球柵陣列封裝)

BGA is an type of advanced packaging, distinguished by its grid of small solder balls located on the underside of the package. These solder balls act as connection points between the chip and the PCB, allowing for efficient electrical connectivity. One of the key advantages of BGA is its high pin density, enabling a greater number of connections within a compact footprint, making it ideal for high-pin-count applications. BGA offers improved thermal performance as the design facilitates better heat dissipation through direct contact with the PCB. Furthermore, the shorter interconnections contribute to lower inductance and capacitance, thereby improving signal integrity, particularly in high-speed applications. We possess the technological capability to apply FC, WB and hybrid technologies in BGA. BGA is ideal for image processing and processor chips due to its high pin density, excellent thermal and electrical performance. The following picture illustrates our typical BGA product:



LGA (Land Grid Array 柵格陣列封裝)

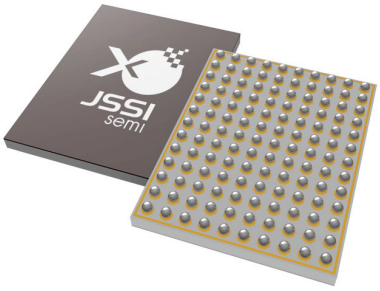
LGA is an advanced type of packaging that features flat pads on the underside of the package, which serve as connection points to the PCB. LGA's design allows for a more compact footprint, making it suitable for high-density applications. One of the advantages of LGA is its ability to facilitate electrical performance and thermal management, as the flat pads provide a larger contact area for soldering, enhancing reliability. We possess the technological capability in LGA to support System-in-Package (SiP) solutions. This integration allows for a higher concentration of functionality in a smaller space, resulting in a compact system capable of handling diverse tasks within a single package. We have the capability to apply FC, WB and hybrid technologies in LGA. LGA is widely used in 2G-5G RF front-end chips, WiFi, Bluetooth, IoT, and touch integrated circuit chips. The following picture illustrates our typical LGA product:



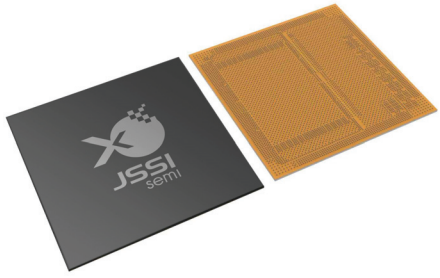
WLP (Wafer-Level Packaging)

WLP applies the packaging processes that first packaged and tested on the entire wafer, before singulation into individual chips. It not only reduces the size of the packaged chip, but also improves the speed and stability of data transmission through the minimization of the distance between the chip and external connections. As part of the WLP technology, WLP (Fan-Out) is an advanced packaging technology that enhances chip performance and integration by allowing I/O connections to be routed beyond the chip's physical dimensions. WLP (Fan-Out) offers several advantages over traditional packaging, including shorter interconnection paths that minimize signal delay, higher I/O density that supports more connections in a smaller footprint, and improved signal integrity. WLP is widely applied in consumer electronics, medical devices, computers, and 5G front-end modules (FEM) due to its ultra-compact form factor, high electrical performance and cost-efficient integration directly at the wafer level.

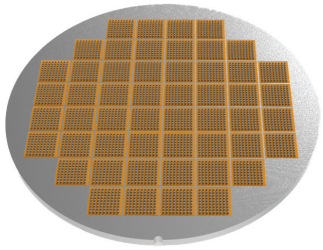
One of our noticeable technologies under the WLP category is Bumping (芯片上製作凸點). It is a key process in advanced packaging used to create microscopic metal bumps on the surface of a wafer. These bumps serve as electrical and mechanical interconnects between the chip and the substrate, enabling high-density and high-performance connections. Bumping supports fine-pitch designs, improves thermal and electrical performance, and is widely used in mobile devices, servers and 5G systems. Our WLP offering also includes LDFO (eWLB), a low-density fan-out technology tailored for mid- to low-tier chips with basic functionality and limited I/O requirements. It leverages conventional wafer-level processes to rebuild the wafer using molding compounds and creates redistribution layers (RDL) that enable efficient electrical connections and expanded pin-out capabilities. The following picture illustrates our typical WLP (Fan-In), WLP (Fan-Out) and Bumping products:



WLP (Fan-In)



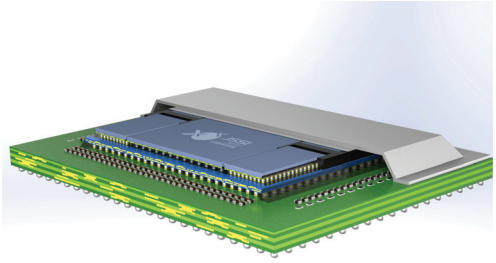
WLP (Fan-Out)



Bumping

2.5D/3D

2.5D/3D refer to packaging methods that connect multiple chips electrically through interposer (2.5D) or vertical stacking (3D). The 2.5D packaging processes use an interposer as an interconnection bridge to stack multiple chips integrated side-by-side and connected to a substrate. It involves placing multiple chips on an interposer as an interconnection bridge connected to a substrate, allowing them to connect through interconnects to provides shorter interconnection paths that reduce signal latency and improve bandwidth. It is applied in millimeter wave, RF and wireless chips, AI inference, IoT, and HPC. Moreover, 3D packaging vertically stacks multiple dies using TSV, micro-bumps, and advanced bonding technologies, which achieves direct electrical connection between stacked dies, thereby shortening interconnect paths and improving integration density and data transmission efficiency. We possess the technological capacity in FOCT-R (Fan-Out Connected Tech-RDL) as a sub-category of 2.5D/3D. It is a high-density packaging technology that uses ultra-fine redistribution layers (RDL) to interconnect chips, achieving line widths and spacing as small as 2μm. As a cost-effective alternative to traditional 2.5D/3D packaging, it eliminates the need for silicon interposers and supports integration of both homogeneous and heterogeneous chips. The following picture illustrates our typical 2.5D/3D packaging product:



Production Equipment

Our packaging product manufacturing facilities are essential for enhancing product quality and cost competitiveness. Most of our equipment and machines are highly automated, which allows us to enhance manufacturing efficiency and reduce labor costs. Our key production equipment for QFN, BGA and LGA covers all mainstream packaging equipment, including: (a) wafer grinder; (b) dicing machine; (c) surface mount technology (SMT) pick and place machine; (d) flip chip machine; (e) wire bonding machine, (f) molding machine; (g) solder ball placement machine, (h) printer to emit laser printing on the surface of the packaging product for date and logo traceability, and (i) testing equipment that includes an Automatic Test System (ATS) and probing station. Our key production equipment for WLP and 2.5D/3D cover: (a) sputtering machine; (b) photolithography machine; (c) plasma etching machine; (d) tube furnace; (e) electroplating machine; (f) etching machine; (g) 2D automated optical inspection (AOI) system; (h) reactive ion etching (RIE) equipment; (i) plasma-enhanced chemical vapor deposition (PECVD) equipment; and (j) temporary wafer bonding machine. The majority of our production equipment is of proprietary nature. For depreciation method of our equipment, see "Financial Information — Material Accounting Policy Information — Impairment of non-financial assets".

Production Bases

As of the April 30, 2026, we had two production bases, namely, Nanjing production base and Yangzhou production base. The table below sets forth details of our production bases:

Production Bases	Location	Gross Floor Area	Primary Products
		(s.q.m.)	
Nanjing production base	Nanjing[(1)]	64,280.6 comprising three levels of production plants	QFN, BGA, LGA, WLP, 2.5D/3D
Yangzhou production base . .	Yangzhou[(2)]	87,553.8 comprising three levels of production plants	LGA



Nanjing Production Base



Yangzhou Production Base

Notes:

(1) Nanjing production base: No. 8 Linchun Road, Pukou District, Nanjing, Jiangsu Province, the PRC.

(2) Yangzhou production base: No. 168 Baisha Road, Daqiao Town, Jiangdu District, Yangzhou, Jiangsu Province, the PRC.

Set forth below are the production capacity, production volume and utilization rates of our production bases for the periods indicated:

	For the year ended December 31,									For the four months ended April 30,					
	2023			2024			2025			2025			2026		
	Designed production capacity	Actual production volume	Utilization rate	Designed production capacity	Actual production volume	Utilization rate	Designed production capacity	Actual production volume	Utilization rate	Designed production capacity	Actual production volume	Utilization rate	Designed production capacity	Actual production volume	Utilization rate
	(units)	*(units)*	*(%)*	*(units)*	*(units)*	*(%)*	*(units)*	*(units)*	*(%)*	*(units)*	*(units)*	*(%)*	*(units)*	*(units)*	*(%)*
Nanjing production base	4,013,822,182	2,499,348,864	62.3	5,581,817,667	4,313,773,599	77.3	6,410,795,290	5,416,708,594	84.5	2,172,191,020	1,579,514,954	72.7	2,144,176,843	1,715,764,726	80.0
Yangzhou production base[3]	/	/	/	/	/	/	62,722,800	43,269,912	69.0	/	/	/	78,503,040	54,101,270	68.9

Notes:

(1) The designed production capacity is arrived at by multiplying: (a) the estimated number of hours for which packaging processing plants are in operation in a calendar year, by (b) the estimated packaging product volume (per unit) per hour of the products processed from the packaging processing plants.

(2) The utilization rate for each of the years/periods ended is calculated based on the actual packaging volume for the relevant year/period divided by the designed packaging capacity for that year/period.

(3) The operation of the Yangzhou production base was commenced in July 2025.

(4) The decrease in the utilization rate of our Nanjing production base from 84.5% in 2025 to 80.0% for the four months ended April 30, 2026 was primarily attributable to the temporary reduction in production activities during the Chinese New Year holiday.

During the Track Record Period, the increases in the actual production volume and utilisation rate of our Nanjing production base were primarily attributable to the growth of our business, increased customer orders and growing market demand for our principal products. Yangzhou production base commenced operations in July 2025 and remained in the production ramp-up stage. Save for the normal changes arising from capacity expansion and production ramp-up, there were no material fluctuations in our designed production capacity, actual production volume or utilisation rate during the Track Record Period. We plan to improve our production capacity utilisation by (i) strengthening customer engagement to secure sufficient and stable customer orders; (ii) optimising production planning and scheduling to facilitate more continuous production, reduce production line changeovers and improve equipment utilisation; and (iii) enhancing production monitoring through our production management systems to improve operational efficiency.

Maintenance

We conduct regular maintenance of our production facilities and equipment. We have established internal procedures tailored to the unique characteristics and requirements of our production facilities and equipment. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material or prolonged suspensions of operations due to facilities, equipment, machinery or other mechanical failures.

Pricing

We primarily determine prices of our packaging products on a range of factors, including: (i) the costs of delivering our products, which encompass purchasing costs of raw materials, costs that go into planning and managing packaging design, development, testing phases, R&D expenses and operational costs; (ii) the type and level of complexity and customization of the packaging requirements demanded by our customers; (iii) the competitive landscape for the comparable products, which takes into account our strengths and weaknesses relative to our competitors, their pricing strategies and the cost sensitivity of customers to the products. Once we set the base prices according to these factors, we adjust the pricing on a case-by-case basis in consideration of specific requirements of our customers. As the product cost per unit decreases for large order volumes due to the principle of economies of scale, customers who consume our products in more units at once would generally be charged at a lower price per unit of our products. We encourage customers to order more units at once, which can increase our sales volume and potentially dilute production costs, thereby incentivizing customers to form long-term partnerships with us and resulting in more stable revenue streams.

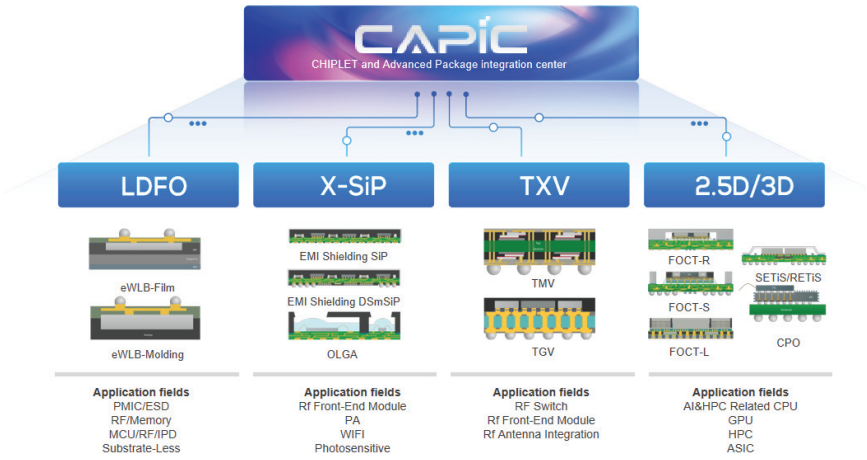
Quality Control and Product Recall Policy

We consider quality management as a core focus, and we have put in place quality control policies and procedures. We possess IATF 16949:2016 (Automotive Industry Quality Management System) and ISO 9001:2015 certifications to standardize our quality management policies and systems. Our production process is monitored by our system to prevent uninspected packaging products from passing our checks and being delivered to the customers, and our quality control management system enables systematic checking over our packaging products. If any issues arise in respect of the quantity of our packaging products received or during their use, the customers may notify us, specifying the defective conditions and the quantities affected, so that both parties can formulate appropriate remedial measures.

We have put in place product recall procedures. If recalling the product is required, our quality control department confirms the return authorization requirements and return lists with the relevant customer, which our production department would verify the actual products against the lists. The quality control department initiates a meeting with the customer to determine the rework plan and aligns with the customer on the handling solution. After customer approves, we would carry out rework and inspection. Our quality control department reviews the rework results, and if the product is qualified, it would be stored or delivered according to the customer's requirements, while nonconforming products would be scrapped by us. During the Track Record Period and up to the Latest Practicable Date, we did not sell any non-conforming products, nor did we experience any product recalls due to non-conforming products. We have not experienced any product mismatch that materially and adversely affected our business during the Track Record Period and up to the Latest Practicable Date.

RESEARCH AND DEVELOPMENT

We are committed to innovation and focus on the R&D of our technology platform and products. We established our technology platform, the "Chiplet and Advanced Package integration Center (CAPiC)".



Leveraging our CAPiC platform, we engage in resolving engineering challenges associated with packaging design and production. Our endeavors in R&D resulted in accomplishments, evidenced by a history of generating intellectual property and industry expertise. As of the Latest Practicable Date, our R&D efforts had accumulated 232 patents, which consisted of 41 invention patents and 191 utility model patents in the PRC. For details, see "— Intellectual Property".

As of April 30, 2026, our R&D department comprised 277 full-time employees. Our R&D initiatives are led by 27 core members, with over 26% holding a master's degree or higher. On average, the core team members have approximately 18 years of experience in semiconductor packaging. We are committed to conducting in-depth research and exploration in the field of traditional and advanced packaging. We are actively collaborating with professors and experts from institutions, including School of Integrated Circuits, Southeast University and School of Electronic Science and Engineering, Nanjing University with an aim to establish a packaging research institute, dedicated to in-depth research in new packaging technologies. Our cooperation agreements generally stipulate provisions on intellectual property ownership, third-party fees and confidentiality obligations. These collaborations enable us to focus our R&D efforts more effectively and maintain our competitive edge by enhancement of our research capabilities.

Our Technologies

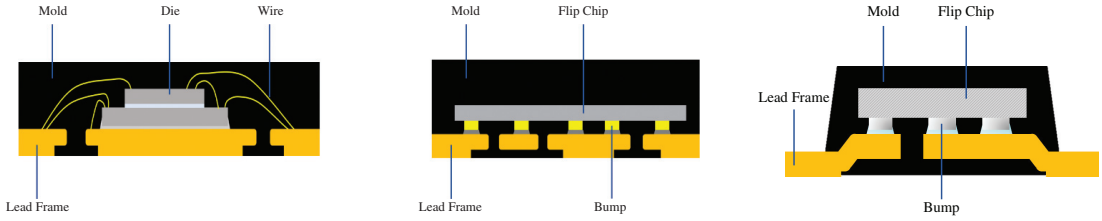
Our R&D competencies set us apart in the highly competitive packaging industry. We capitalized on the opportunities presented by advancements in the packaging industry. In 2021, we achieved significant milestones with the mass production of QFN, WLP and LGA packaging, laying the groundwork for system-level packaging. By 2022, we completed a transition to high-density integration with the mass production of BGA and the introduction of chiplet projects. In December 2024, we continued to reach breakthrough in our product offering, as we successfully build up mass production capability for our 2.5D/3D products, namely FOCT-R. In 2023, we unveiled the CAPiC platform, facilitating a shift from single product development to platform-based technology output. The following sets out the details of our technologies:

QFN

Our QFN product offers versatile packaging capabilities, covering FC-QFN and WB-QFN, which enables broad application across various device types. Our QFN product category also cover FC-SOT, which is semiconductor packaging format commonly used for discrete components, such as, transistors. It is built using a lead frame serving as the mechanical and electrical backbone of the package with FC technology.

The pitch density of QFN products is primarily concentrated in the range of 0.35mm to 0.5mm. Based on mass production experience with these products, we have optimized product design and process technology to achieve mass production of 0.3mm pitch density products. This has resulted in an increase of over 40% in I/O density for our QFN within the same package size. Additionally, with the application of advanced nano-process chips (12nm) in our QFN, the I/O density is further enhanced, with the number of wire bonds increasing to over 640, which is at an industry-leading level.

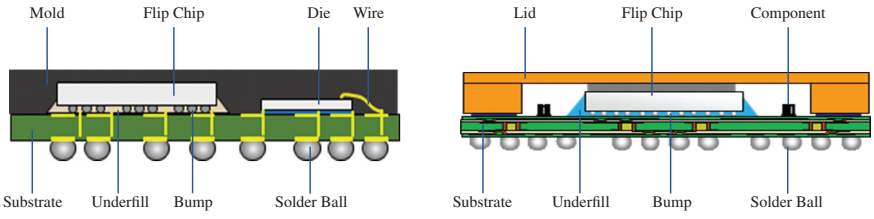
Our QFN offers a combination of miniaturization, high reliability, and cost-effectiveness, making it ideal for compact electronic applications. Our R&D on QFN technology focuses on two key areas: (a) developing packaging technologies for large-particle image processing chips to meet the demands of high-performance applications, such as, AI vision and high-resolution imaging; and (b) designing automotive-grade wettable flank structures to enhance solder joint reliability and compliance with stringent automotive standards, making it well-suited for both consumer and automotive electronics markets. The following are structural diagrams for different types of our QFN:



WB-QFN **FC-QFN** **FC-SOT**

BGA

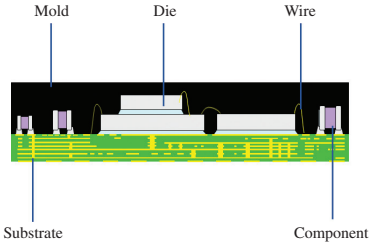
Through the use of a ball grid array on the back of the substrate as the connection point between the chip and PCB, BGA can provide more pins within the same chip area, increasing chip integration and achieving a high-density pin layout. Additionally, the signal transmission paths are shorter, thereby reducing signal delay and electromagnetic interference, and improving signal integrity. The direct contact of solder balls with the PCB also creates an efficient thermal conduction path, allowing rapid dissipation of heat generated by the chip to the PCB. Our BGA offers comprehensive advantages across both FC-BGA and WB-BGA models. Our FC-BGA cover a wide range of sizes from 19mm × 19mm to 65mm × 65mm. The maximum number of die bumps reaches 33,930, with a minimum bump pitch of 120μm. The largest supported die size is 25mm × 32mm, and the I/O count can reach up to 3,981. Meanwhile, our WB-BGA products span sizes from 3.65mm × 4.55mm to 25.3mm × 22.5mm, with up to 1,674 wires and a maximum I/O count of 815. Our BGA offers high I/O density, excellent electrical performance and thermal dissipation, making it widely adopted for various high-performance chips. Our R&D on BGA technology focuses on three areas: (a) ultra-large substrate packaging to support high-performance and high-density chip integration; (b) strip-type heat sink packaging to enhance thermal management for compact designs; and (c) embedded core substrate packaging, which improves signal integrity and miniaturization by integrating key components within the substrate itself. These innovations aim to meet the evolving demands of high-end computing and AI applications. The following are structural diagrams for different types of our BGA:



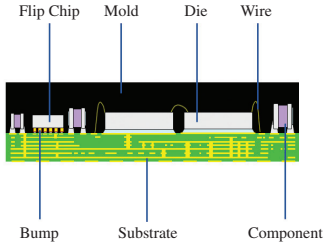
Hybrid-BGA **FC-BGA**

LGA

LGA connects to external circuits via a grid array of solder pads on the underside of the substrate. LGA involves the integration of processes as FC and WB. It also includes complex techniques for large-size and multi-die integration, including both planar and stacked configurations. These factors contribute to the high technical complexity of LGA development. For example, in highly integrated Hybrid-SiP forms, both WB and SMTFC (Surface Mount Technology Flip Chip) processes are typically required. We possess capability in packaging 3nm chips for our LGA. Our LGA packaging product offers broad structural versatility, covering WB-LGA, FC-LGA, Hybrid, and SiP formats to meet diverse application needs. Our FC-LGA covers a range of sizes from 0.6mm × 0.95mm to 8.2mm × 10.5mm. Each package can contain up to 18 surface mount components, with a maximum of 124 solder pads. Our WB-LGA ranges from 1.1mm × 0.7mm to 16mm × 16mm, with each package supporting up to 6 chips and 37 surface mount components, and offering more than 90 solder pads. Our Hybrid-LGA spans sizes from 3mm × 3mm to 8.54mm × 4.58mm, with each package integrating up to 11 chips and 21 surface mount components, and providing over 40 solder pads. Our SiP-LGA ranges from 2.6mm × 2.8mm to 12mm × 10.5mm, supporting up to 8 chips and 63 surface mount components per package, with up to 247 solder pads. LGA features high-density interconnects, low inductance, and excellent thermal performance, making it well-suited for applications including, 2G-5G series RF front-end chips, WiFi chips, Bluetooth chips and IoT chips. Our R&D on LGA is centered on high-end module integration, focusing on technologies, such as, 3D SiP for vertical stacking and miniaturization, compartment shielding for enhanced electromagnetic interference (EMI) protection, and DS Partial Mold SiP for improved structural reliability and design flexibility. These innovations aim to meet the growing demands of compact, high-performance electronic systems across consumer, industrial and automotive applications. The following are structural diagrams for different types of our LGA:



WB-LGA



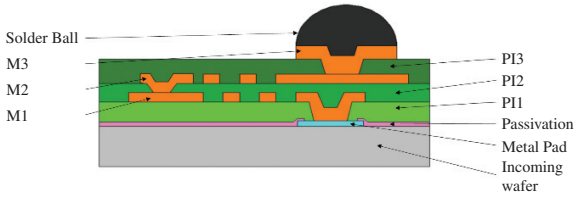
Hybrid-LGA

WLP

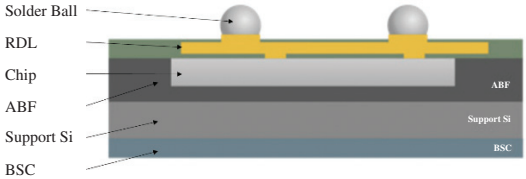
WLP first packages and tests the entire wafer before cutting it into individual chips. This not only reduces the size of the package but also enhances data transmission speed and stability. WLP can primarily be divided into Fan-In and Fan-Out types, with Fan-Out requiring redistribution layer (RDL) technology to achieve a higher number of leads and greater component reliability. We have achieved mass production in support-less silicon ultra-thin Fan-Out wafer-level packaging, reducing product thickness by over 30% compared to traditional packaging. As one of the first movers in the PRC to apply Fan-Out technology to the automotive electronics field, we obtained automotive-grade recognition certification, demonstrating our innovative capabilities in our WLP.

Our WLP products cover WLP (Fan-In), WLP (Fan-Out), Bumping and DPS. Our WLP (Fan-In) offers a high level of precision and integration, featuring a minimum ball pitch of 0.35mm and a minimum ball size of 0.12mm. It supports fine redistribution layer (RDL) line width/space dimensions down to 9/10μm, with RDL thickness ranging from 3 to 10μm and Under Bump Metallization (UBM) thickness from 7 to 35μm. The packaging structure accommodates configurations such as 1P1M, 2P1M, 2P2M, 3P2M, and 3P3M, with package sizes spanning from 0.4 × 0.2mm to 8 × 8mm, making it suitable for a wide range of applications. Our WLP (Fan-out) technology includes LDFO-eWLB, a cost-effective packaging technology tailored for mid- to

low-end chips with fewer I/Os. It uses wafer-level processes to reconstruct wafers with molding compounds and form redistribution layers (RDL) for electrical interconnection and pin fan-out. LDFO supports fine-pitch interconnects (0.3 mm ball pitch, 0.08 mm ball size), advanced RDL (4/4μm line/space, 3–10μm thickness), and UBM thickness of 7–35μm. It accommodates various structures (1P1M to 3P3M) and package sizes from 0.4 × 0.2 mm to 8 × 8 mm, using materials like high-temperature and low-temperature repassivation layers. The following are structural diagrams for our WLP (Fan-In) and WLP (Fan-Out) LDFO-eWLB:



WLP (Fan-In)



WLP (Fan-Out) LDFO-eWLB

Our Bumping covers copper pillar bump or solder ball bump, which is a widely used semiconductor packaging technology that creates tiny metallic structures to electrically connect a chip to its substrate. Formed through photolithography and electroplating, bumps are placed on chip pads or routed through redistribution layers (RDL). Their small size (tens to hundreds of microns) enables high-density interconnects, while offering high-frequency performance due to low resistance and inductance. Our Bumping product supports 8-inch and 12-inch wafers and includes both pillar and solder bump types. Pillar bumps feature a pitch of 80μm and size of 40μm, while solder bumps offer a 150μm pitch and 80μm size. Supported structures include 1P1M, 2P1M, 2P2M, 3P3M, and custom configurations tailored to customer requirements.

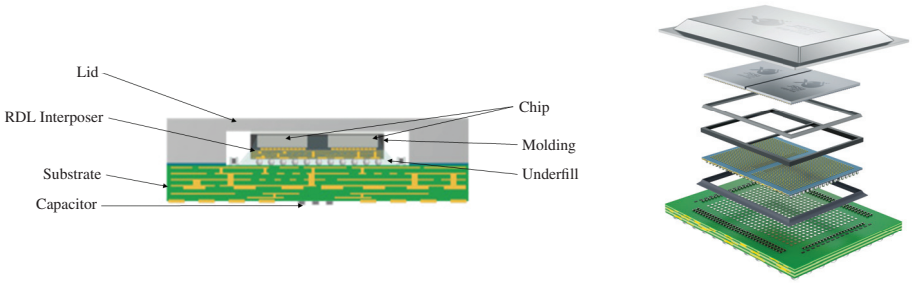
Our Die Preparation Solution (DPS) is a process that prepares chips for integration into final devices. It typically involves four main processes: (a) wafer thinning, where incoming wafers are mechanically ground down to meet thin-profile design requirements; (b) laser marking, which prints identification and traceability information on the wafer's backside; (c) dicing, where individual dies are separated using a hard or soft blade; and (d) sorting, where qualified dies are selected and visually inspected before being sealed into carrier tape using automated taping equipment. Our DPS offerings support both 8-inch and 12-inch wafer sizes, with bump types including CuNiAu, PI+Cu, and Al Pad. Available structural configurations include 1P1M, 2P1M, 2P2M, and 3P3M, along with customized designs tailored to specific customer requirements.

WLP is considered as the smallest form factor packaging method that matches the original chip size, which enables compact and reliable solutions ideal for overvoltage protection and consumer electronics. Our R&D on WLP technology will focus on three areas: (a) developing ultra-fine line/space processes down to 4/4μm and 2/2μm for high-density interconnects; (b) enabling ultra-thick polyimide layers between 15μm and 30μm to enhance insulation and mechanical stability; and (c) creating complex multi-layer structures with up to 7 polyimide and 7 metal layer (7P7M), supporting highly integrated and miniaturized semiconductor designs for next-generation applications.

2.5D/3D

2.5D/3D packaging is a technology that enables multi-chip interconnection while reducing package sizes, minimizing connection losses, and saving costs. By stacking multiple chips through the use of an interposer and other techniques, it increases integration and performance while reducing space requirements. Our 2.5D/3D packaging products primarily include FOCT-R (Fan-Out Connected Tech-RDL) which enables high-density interconnects between chips by constructing ultra-fine multi-layer redistribution layers (RDL). With minimum line width/space dimensions of 2μm, FOCT-R eliminates the need for silicon interposers while supporting homogeneous and heterogeneous integration for high-performance devices, such as, data center CPUs, AI inference

chips and IoT processors. Our FOCT-R model 7P7M multi-layer heterogeneous wafer-level RDL processing incorporates wafer-level SMT technology capable of placing up to 88 capacitive components in a single pass on one unit. Also, the micro-bump fabrication process supports ultra-fine redistribution layers with a minimum line width and spacing of 2μm/2μm. Our R&D directions for FOCT-R include: (a) high-performance homogeneous SoC interconnects; (b) interconnects between high-performance SoCs and I/O interface chips; and (c) hybrid integration of high-performance SoCs with power modules and interface chips to enhance overall system efficiency and functionality. The following is the structural diagram for our FOCT-R:



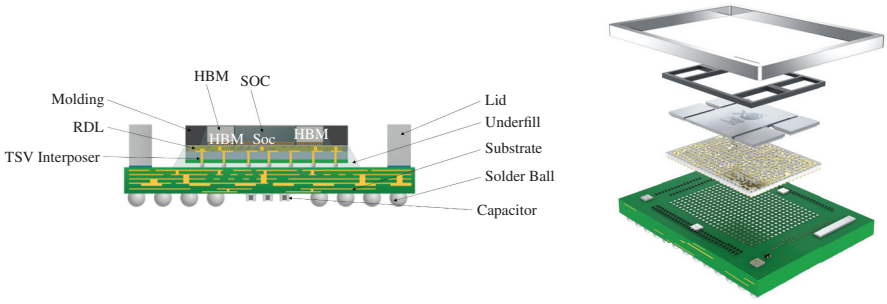
FOCT-R

The following sets out the status of our development-in-progress technologies:

2.5D/3D

Our 2.5D/3D technologies under development primarily include the following:

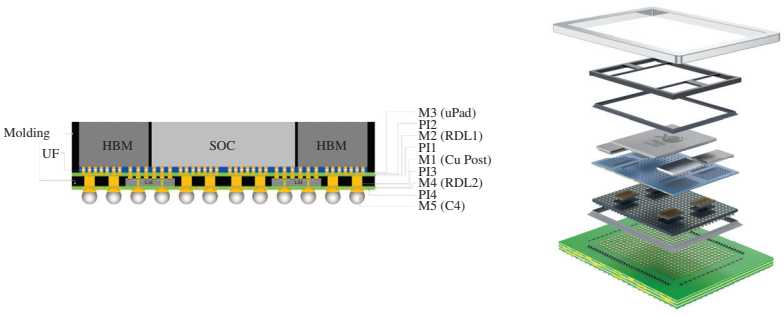
(a) FOCT-S (Fan-Out Connected Tech-Silicon) leverages silicon's ultra-fine routing capabilities, with line width/spacing below 1μm, and through-silicon vias (TSVs) for vertical interconnects, delivering good interconnect density and bandwidth for HPC, AI accelerators, and advanced networking chips. This technology enables efficient integration of multiple homogeneous or heterogeneous chips (such as CPUs, GPUs, and HBM) in a 2.5D/3D packaging system. Our FOCT-S integrates three key technologies to advance packaging: (a) By processing high-density redistribution layers and TSV silicon vias within the silicon interposer, it provides ultra-high-density interconnect channels for specific chip regions, enabling high-density 2.5D/3D stacking and efficient chip-to-chip communication; (b) ultra-high precision redistribution layers offer sub-1μm fine-line routing for dense electrical connections and high interconnect bandwidth; and (c) Fan-Out packaging combined with micro-bump technology utilizes mold compound-based wafer reconstruction and low-pitch micro-bump bonding to achieve compact and high-performance integration of multiple chips with the high-density redistribution layer silicon interposer. Our R&D on FOCT-S focuses on two main areas: (a) high-performance SoC and HBM interconnect technologies, and (b) SoC solutions for high-end CT applications and optical sensing interconnects. The following is the structural diagram for our FOCT-S:



FOCT-S

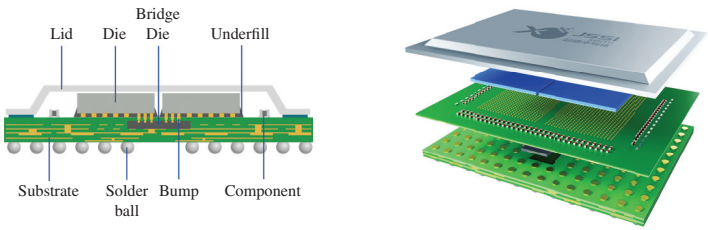
(b) FOCT-L (Fanout Connected Tech-Local Silicon Interconnect) is an embedded interconnect bridge technology that locally integrates high-density RDLs or silicon bridges within the interposer or molding compound to create ultra-dense interconnect channels for specific chip regions. By avoiding the use of full-size interposers, it enables cost-effective, "on-demand" high-density connections, making it ideal for heterogeneous integration scenarios requiring high-speed communication between multiple chips such as CPU, memory and I/O devices. Our FOCT-L primarily involves the following technologies: M1 copper posts with a thickness of 120μm, an embedded die size exceeding 5500×6400μm, a package size exceeding 15000×25000μm, and an interposer structure featuring three layers of passivation and three layers of metal (3P3M).

Our R&D on FOCT-L is focused on three main areas: (a) high-density interconnects for ultra-large SoCs and HBM, (b) advanced interconnects for optoelectronic transmission in CPO (Co-Packaged Optics) applications, and (c) development of ultra-high-density AP-WMCM (Application Processor — Wafer-Level Multi-Chip Module) technology for mobile terminals. The following is the structural diagram for our FOCT-L:



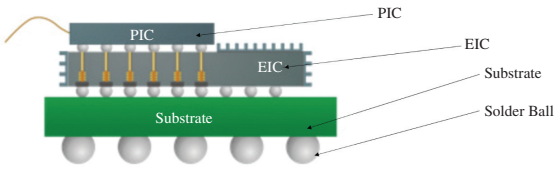
FOCT-L

(c) SETiS (Silicon-Based Embedded Tech-Interconnect System)/RETiS (RDL Embedded Tech-Interconnect System) are embedded multi-chip interconnect bridge technologies that enable both heterogeneous and homogeneous chip integration at lower cost. They facilitate communication among various chips, including CPU, GPU, memory, I/O, and others, by embedding an RDL interposer into the substrate. SETiS/RETiS primarily involve technologies, such as, high-density RDL design with line/space dimensions of 15/15μm, bump pitch of 75μm, bump size of 60μm, and bridge die thickness of 100μm. Additionally, they incorporate RDL and silicon-based embedded substrate technologies to enable compact, efficient multi-chip interconnect solutions. Our R&D on SETiS/RETiS focuses on three main directions: (a) high-performance homogeneous SoC interconnects, (b) interconnects between high-performance SoCs and I/O interface chips, and (c) hybrid integration interconnects combining high-performance SoCs with power modules and interface chips to enhance system-level performance and integration. The following is the structural diagram for our SETiS/RETiS:



SETiS/RETiS

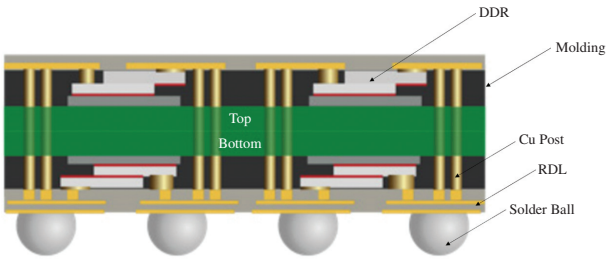
(d) CPO (Co-Packaged Optics) is a technology that shifts the functionality of traditional pluggable optical modules from the switch front panel directly into the same package substrate or interposer as computing chips, enabling ultra-short distance conversion between electrical and optical signals. CPO typically integrates Electronic Integrated Circuits (EICs) and Photonic Integrated Circuits (PICs) through high-density interconnect technologies like Through-Silicon Vias (TSVs), tall micro-bumps, and Fan-Out RDL for 3D heterogeneous integration. EICs serve as control chips (e.g. laser drivers, transimpedance amplifiers), while PICs handle photoelectric conversion and optical waveguide transmission. By replacing traditional copper cables with direct optical interconnects at the package level, this architecture addresses critical challenges posed by rising data rates (such as 1.6T and beyond), making it a vital evolution for future data centers, AI systems, and HPC networks. Our CPO primarily involves advanced 2.5D/3D packaging and heterogeneous integration technologies. TSVs are used to achieve vertical interconnects within the EIC wafer; high-density micro-bumps (such as tall bumps) connect the EIC and PIC while compensating for their height differences; and Fan-Out packaging enables the integration of multiple heterogeneous chips on a larger substrate. Our CPO is undergoing internal technique validation. Our R&D on CPO focuses on developing high-end CPO interconnects for optical transmission, aiming to advance integration efficiency and performance in next-generation data communication systems. The following is the structural diagram for our CPO:



CPO

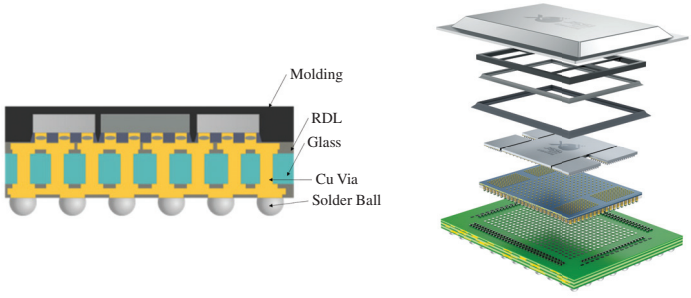
TXV (Through-X-Via)

(a) Through-Mold Via LPDDR 3D Fan-Out (TMV) is a technology that stacks multiple low-power double data rate (LPDDR) chips in a 3D configuration using Fan-Out packaging. By leveraging high-density RDL and micro-bumps, it enables ultra-short interconnects between chips, reducing latency, power consumption, and signal integrity issues typically caused by traditional PCB routing. The architecture effectively meets the demands of smartphones, tablets, and other portable devices for high computing power, large storage capacity, and extended battery life. Our TMV includes several key technologies: (a) a molding process using liquid or solid epoxy molding compound; (b) ultra-thin wafer grinding and dicing down to 45μm; (c) multi-chip (4-chip) staggered stacking die-attach technology; (d) precision laser drilling with 60μm diameter and 80μm depth; (e) blind via electroplating fill techniques; and (f) temporary bonding methods. The following is the structural diagram for our TMV:



TMV

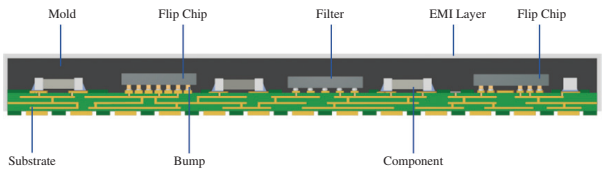
(b) Through-Glass Via (TGV) technology uses glass as an interposer or packaging substrate, forming vias through laser or chemical processes followed by metallization. Glass offers excellent high-frequency electrical properties (low loss tangent), a thermal expansion coefficient closely matched to silicon (minimizing warpage), and high insulation. TGV is an ideal solution for RF, millimeter-wave, antenna-in-package, and high-speed digital applications. TGV-based Package-on-Package (TGV-PoP) further enables vertical 3D integration of high-frequency chip modules. Our TGV primarily involves technologies, including a TGV via size of 62.5μm, minimum via pitch of 165μm, and via spacing of 65μm, with an aspect ratio of 7:1. The minimum line/space for RDL is 2/2μm. The design integrates five dies being four HBM and one SoC, within a Fan-Out unit size of 47,591μm × 29,770μm. Our R&D on TGV focuses on three major directions: (a) high-performance Integrated Passive Devices (IPD) based on glass substrates; (b) RF modules and phased-array technologies leveraging glass interposers; and (c) glass-based packaging technologies for high-computing-power GPU. The following is the structural diagrams for our TGV:



TGV

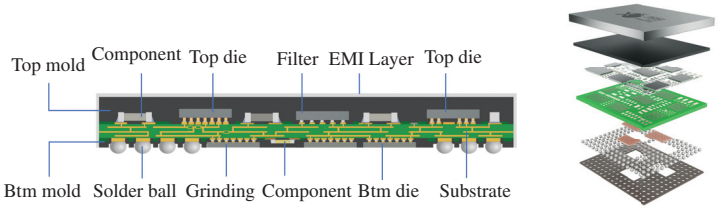
X-SIP (Extended System-in-Package)

(a) EMI Shielding SiP utilizes magnetron sputtering to deposit multi-layer metal shielding, onto the surface of the chip package, forming a high-performance conformal shield. This technique maintains nearly identical dimensions before and after sputtering, offering excellent EMI suppression while ensuring a thin, lightweight profile and strong adhesion. It is particularly well-suited for RF chip packaging, meeting the stringent miniaturization and interference resistance requirements of mobile terminals like smartphones and wearable devices. Our EMI Shielding SiP primarily involves two core technologies: (a) high-density mounting processes for chips and components, achieving placement accuracy of ±25μm, supporting minimum component size of 0.2 X 0.1mm, bump pitch as tight as 100μm; and (b) magnetron sputtering techniques with a Metal Peel Test rating of ≥4B, electrical resistance below 50mΩ, and superior shielding effectiveness. The next phase of R&D on EMI Shielding SiP focuses on advancing ultra-high-performance RF chip module technologies, aiming to deliver enhanced integration, enhanced EMI protection, and optimized performance for next-generation applications. The following is the structural diagram for our EMI Shielding SiP:



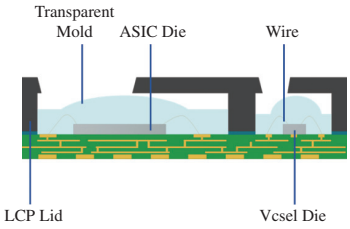
EMI Shielding SiP

(b) EMI Shielding DSmSiP is a technology that utilizes double-sided high-density component placement combined with C-mold encapsulation to integrate multiple chips and devices on both sides of the substrate. It incorporates laser drilling and strip grinding processes to enable backside I/O layout and control warpage. By applying magnetron sputtered metal shielding layers on the top and sides of the package, it achieves good electromagnetic interference shielding performance. Additionally, the architecture offers short signal paths and low latency, effectively addressing the market demand for miniaturized, highly integrated packaging technologies for high-performance RF chips. Our EMI Shielding DSmSiP primarily involves several technologies: (a) high-density mounting processes for chips and components on both sides of the substrate; (b) magnetron sputtering for metal shielding layers, achieving a Metal Peel Test rating of ≥4B; (c) compression-mold encapsulation for double-sided molding with low warpage; (d) strip grinding with thickness tolerance control of ±20μm; and (e) laser ablation for precision drilling, with an accuracy of ±15μm. The next phase of our R&D, on EMI Shielding DSmSiP focuses on advancing ultra-high-performance RF chip module technologies, aiming to push the boundaries of integration, signal integrity and electromagnetic compatibility in next-generation systems. The following is the structural diagram for our EMI Shielding DSmSiP:



EMI Shielding DSmSiP

(c) Optical Land Grid Array (OLGA) is a technology that utilizes transparent epoxy resin encapsulation, allowing efficient transmission of specific light wavelengths. This design supports the integration of ambient light sensors, enabling precise detection of environmental light intensity for automatic screen brightness adjustment. It is also well-suited for distance measurement modules in devices, such as, robotic vacuum cleaners and drones, using infrared or laser signals for obstacle detection and path planning. OLGA offers a compact form factor, high precision, and excellent signal integrity, meeting the stringent miniaturization and reliability requirements of emerging smart hardware applications. Our OLGA primarily involves two key technologies: (a) transparent encapsulation using 2D and 3D molding techniques, achieving a minimum surface roughness of 0.03μm while overcoming challenges related to resin overflow during molding; and (b) the attachment of liquid crystal polymer lids using the newly introduced high-performance adhesive. The next phase of R&D on OLGA focuses on advancing high-precision distance measurement chip module packaging technologies, aiming to enhance optical sensing performance and integration for emerging smart devices. The following is the structural diagram for our OLGA:



OLGA

R&D Process

Our R&D is carried out as a group effort in close collaboration among our different departments, such as, the sales department and production department. Our R&D department is responsible for the design and development of our packaging technologies and products. We develop our technology platforms and products in accordance with an established processes, roles and responsibilities as follows:

(a) *R&D Project Sourcing*. The sourcing of R&D projects is initiated by our R&D department, which conducts through market and technical analyses alongside internal discussions with our sales department who maintains communication on prevailing product demands and market landscapes with our customers. This process involves evaluating upcoming technology trends in the packaging industry, analyzing competitors' technological strategies, and identifying both short- and long-term customer needs.

(b) *Project Preparation and Feasibility Assessment*. Our R&D department undertakes market research, technical assessments, production capacity evaluations and investigations into patents and regulations. This research aims to understand the market suitability, technological advancement and production feasibility of the proposed innovations. Our R&D department checks for potential patent infringements and commercial disputes while establishing a preliminary development timeline.

(c) *Project Approval Process.* Our R&D department ensures alignment with our strategic development plans and industry technology trends. Once preliminary topics are identified, market research and feedback from sales department and production department are gathered to refine the project scope. A feasibility analysis is conducted, and a formal project proposal is submitted for senior management approval. Upon approval, the project is initiated.

(d) *R&D Plan Implementation.* Our R&D department follows the established research and development plan to define a R&D roadmap. The implementation of the project occurs in phases, with regular reports on progress and interim results provided throughout the R&D process. Any core technologies developed during this phase would be submitted for patent protection as appropriate in accordance with our internal procedures.

(e) *Project Summary and Acceptance.* Upon achieving final results or significant milestones, a technical report would be completed. Once the R&D project is finished, our R&D department submits a closure report to evaluate whether the development tasks were completed according to the set objectives and whether the corresponding R&D outcomes were achieved. This report is then reviewed by our senior management for approval.

(f) *Project Closure.* If the project meets the evaluation criteria set by our senior management, it is formally accepted, and the project is considered closed. This process ensures that all aspects of the project have been documented and assessed, providing an overview of the outcomes and contributions made during the R&D effort.

Case Study of our Packaging Project

We were engaged by a customer whose business involved 2.5D/3D integration technologies. It offers a one-stop solution from concept design to product delivery, primarily serving high-performance computing fields. Below sets forth the details of this project:

(1) ***Customer requirements and issues to address:*** This project began with a specific challenge from the customer: how to integrate Digital Signal Processor (DSP) and AI accelerators (such as Neural Processing Unit (NPUs)) in their next-generation AI accelerator to support edge machine learning. We formed a joint development team with the customer. Through multiple technical workshops, we clarified parameter requirements and identified the underlying issues as follows: (a) *Extreme performance.* Integrating ultra-high-density interconnects within limited dimensions to meet stringent internal resistance and interface contact resistance requirements, as well as high-bandwidth interconnect demands of DSP chips; (b) *Ultra-high-density component integration.* The DSP chip integrates direct current blocking circuits and requires densely mounted high-density RDL circuits on the top surface. The DSP chip demands ultra-high bump density and ultra-fine interconnect lines, with complex circuit designs requiring more RDL layers; and (c) *Size and cost constraints.* The customer requires integration within a fixed package size (11.82x11.02mm) and demands controllable costs to enable large-scale commercialization. Based on this, our mission is no longer simply to "build a package," but to "co-design a system-level solution with the customer."

(2) ***Customized Collaborative Design and Implementation Process:*** Our customized services span the entire process from concept to mass production. We assembled a technical team to work with the customer, delivering an advanced FOCT-R 7P7M structure that exceeded the customer's requirements.

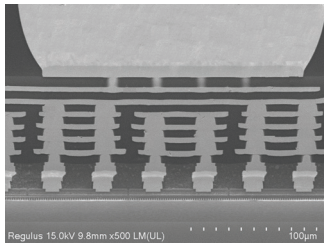
(a) *Phase One.* Collaborative Architecture Design (Co-Design Phase). Our packaging architects and the customer's IC designers used a unified electronic design automation platform for co-design. We directly accessed the customer's chip bump map and provided real-time feedback. This real-time interaction avoided costly design changes later.

(b) *Phase Two.* Customized Material and Process Selection and Development (Customization Phase). For the 6-layer ultra-fine RDL, we developed advanced micro-bump and RDL technologies. During tuning, the customer allowed us to use their test vehicle for multiple experiments and shared electrical test data, helping us identify and resolve alignment precision issues between RDL layers, improving the yield rate over 97% for each layer and over 92.2% for aggregated layers. To meet the need for integrating many capacitors in a tiny package, we developed wafer-level SMT capable of mounting over 40,000 components on a wafer.

(c) *Phase Three.* Prototype Fabrication and Validation Testing (Validation Phase). We opened our test data platform to the customer, allowing real-time access to results from temperature cycling tests and high-temperature high-humidity tests. We worked with the customer to perform root cause analysis on any failed samples.

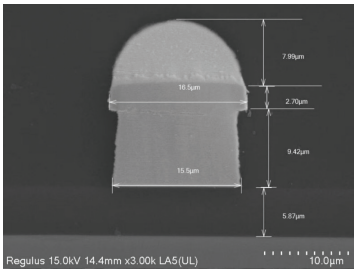
(3) ***Summary of Core Customized Technologies:*** Through the above deep customization process, we developed the following core technologies:

(a) *7P7M.* The highlight of this technology is its ability to support 5μm × 5μm ultra-narrow line width and spacing RDL. We implemented a 7P7M (7 polyimide and 7 metal layer) interposer structure. This complex layer design provides enhanced electrical and thermal performance.

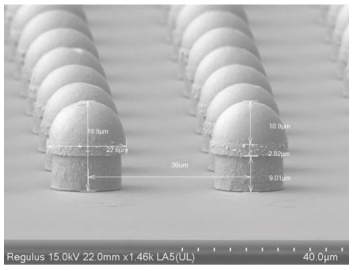


High-density 7P7M interposer

(b) *Advanced micro-bump technology.* Our R&D team overcame technical challenges and produced top-tier chip packaging with 18µm bump size and 36µm pitch. This breakthrough enables us to manufacture highly integrated and finely structured chip packages.



Bumping with 18µm bump size



Bumping with 36µm pitch

(c) *Wafer-level surface mount technology (WLSMT).* Our Wafer-level surface mount technology is capable of mounting over 40,000 components on a wafer.

(d) *High-precision thermal compression bonding (TCB).* We implemented the TCB process to bond and encapsulate customer chips onto the organic RDL with ±2µm precision. This meets the high-end packaging needs for chip stacking.

(4) *Outcome.* The success of this project lies not only in technological breakthroughs but also in our commitment to a customer-centric R&D model. We are positioned to become an R&D partner for our customers, sharing risks and technological benefits together with our customers. We expect to bring this mature customized collaboration model to more innovators across industries.

PROCUREMENT

During the Track Record Period, we primarily procured substrates, leadframes, adhesives, electronic components and bonding wire being the raw material for our products. The procurement function is managed by the procurement team of our operation department, with technical requirements for suppliers primarily defined by both our R&D department and our production department.

During the Track Record Period, we engaged 525, 517, 503 and 380 third party suppliers for the years ended December 31, 2023, 2024 and 2025, and the four months ended April 30, 2026, respectively. We have policies and procedures in place that provide for general principles and standards for selection. The procurement team of our operation department identifies potential raw material suppliers through industry conventions, public information, business referrals or site visits. Once potential suppliers are identified, our operation department will then arrange the procurement team, R&D department and quality control department to conduct on-site audits at the production

facility of the raw material suppliers. Only those raw material factories that successfully meet our technical standards and specifications are included in our approved supplier list. In considering whether admitting or removing a supplier from/to the list, the procurement team of our operation department would consider factors, such as, specific competencies, service and raw material quality, production capacity, delivery timeframe, past performance, pricing of our suppliers and environmental performance with eco-friendly measures. Our procurement team after reviewing the customer demand forecast prepared by our sales department formulates the procurement plan based on factors, such as, order quantity, expected delivery time and current inventory level. The procurement team of our operation department will place orders with the approved raw material suppliers based on the procurement plan. Once procurement is completed, the raw material suppliers deliver the ordered materials to our warehouse.

Our Raw Material Procurement Cost

We purchase a variety of raw materials from suppliers to maintain control over quality and suitability of those materials for use in the packaging production process. The raw materials we procure typically include substrates, leadframes, adhesives, electronic components and bonding wire. The total purchase amount for raw materials were approximately RMB349.2 million, RMB432.9 million, RMB540.3 million and RMB193.2 million for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2026. The cost of purchasing raw materials is primarily affected by manufacturing adopted by raw material suppliers as well as the market demand for raw material factory manufacturing capacity. Generally speaking, more complicated manufacturing processes adopted by raw material suppliers in accordance with the specific packaging design requirements lead to higher prices of raw materials. For example, a substrate with more stringent requirements for size and integration level costs a higher purchase price. To effectively manage our risks associated with the price fluctuations of our raw materials, we analyze the consumption and other data of major raw materials, carry out research on market trends and prepare periodic procurement budgets. We endeavor to optimize the level of our inventories. Most of the raw materials used by us are readily available from multiple suppliers and can be sourced at competitive market prices. Therefore, we do not rely on any particular supplier for any particular item. During the Track Record Period, we did not encounter any material disruption to our business as a result of shortage or delay in the supply of raw materials. In the event that there is an increase in the price of raw materials, we should be able to adjust the selling price of our packaging products to reflect such increase in the price of raw materials.

OUR SUPPLIERS

Our Top Five Suppliers

Our suppliers with respect to trade related items primarily include suppliers providing raw materials, electricity and tooling services. Our purchases from our five largest suppliers for each year during the Track Record Period accounted for approximately 30.9%, 33.9%, 32.2% and 32.5% of our total purchases for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2026, respectively. In the corresponding period, our purchase from our single largest supplier for each year during the Track Record Period accounted for approximately RMB45.7 million, RMB83.5 million, RMB91.7 million and RMB27.7 million, which accounted for approximately 10.4%, 15.0%, 13.3% and 11.1% of our total purchases, respectively. During the Track Record Period, for suppliers not requiring advance payment, we were generally granted credit terms of 30 to 60 days. Payment of the purchase price to the suppliers are settled by bank transfer or telegraphic transfer. Having made reasonable enquiries, to the best knowledge, information and belief of our Directors, all of our top five suppliers for each year during the Track Record Period were Independent Third Parties, and none of our Directors, their close associates or any existing Shareholder, who or which, to the best knowledge of our Directors' knowledge, owns more than 5% of the issued share capital of our Company as of the Latest Practicable Date, had any interest in any of our top five suppliers in each year of the Track Record Period.

The following tables set out the details of our five largest suppliers in each year/period based on purchases from them during the Track Record Period:

For the four months ended April 30, 2026

No.	Supplier	Major products/services provided to us	Year of commencement of business Relationship with us	Purchase amount	Percentage of total purchase amount for the period	Credit terms
				RMB'000	*%*	*days*
1 . .	Supplier Group A*(Note 1)*	Raw Materials and tooling services	2021	27,666	11.1	30 days
2 . .	Supplier Group B*(Note 2)*	Electricity	2021	23,896	9.6	Advance Payment
3 . .	Nanya Printed Circuit Board (Kunshan) Co., Ltd.* (南亞電路板(昆山)有限公司)	Raw Materials and tooling services	2021	12,315	5.0	Advance Payment
4 . .	Shanghai Tongye Trading Co.* (上海桐燁貿易商行)	Raw Materials	2021	8,823	3.5	Advance Payment/60 days
5 . .	Shanghai Muyoutu New Material Co., Ltd.* (上海木有土新材料有限公司)	Raw Materials	2021	8,089	3.3	Advance Payment
				80,789	**32.5**	

For the year ended December 31, 2025

No.	Supplier	Major products/ Services provided to us	Year of commencement of business relationship with us	Purchase amount	Percentage of total purchase amount for the period	Credit terms
				RMB'000	*%*	*days*
1 . .	Supplier Group A*(Note 1)*	Raw Materials and tooling services	2021	91,712	13.3	30 days
2 . .	Supplier Group B*(Note 2)*	Electricity	2021	67,942	9.8	Advance Payment
3 . .	Nanya Printed Circuit Board (Kunshan) Co., Ltd.* (南亞電路板(昆山)有限公司)	Raw Materials and tooling services	2021	27,720	4.0	Advance Payment
4 . .	Shanghai Tongye Trading Co.* (上海桐燁貿易商行)	Raw Materials	2021	17,774	2.6	Advance Payment/ 60 days
5 . .	Heraeus (China) Investment Co., Ltd.* (賀利氏(中國)投資有限公司)	Raw Materials	2021	17,165	2.5	Advance Payment
				222,313	**32.2**	

For the year ended December 31, 2024

No.	Supplier	Major products/ Services provided to us	Year of commencement of business relationship with us	Purchase amount	Percentage of total purchase amount for the period	Credit terms
				RMB'000	*%*	*days*
1.	Supplier Group A*(Note 1)*	Raw Materials and tooling services	2021	83,486	15.0	30 days
2.	Supplier Group B*(Note 2)*	Electricity	2021	60,359	10.9	Advance Payment
3.	Shanghai Muyoutu New Material Co., Ltd.* (上海木有土新材料有限公司)	Raw Materials	2021	16,321	2.9	Advance Payment
4.	Shanghai Tongye Trading Co.* (上海桐燁貿易商行)	Raw Materials	2021	14,298	2.6	Advance Payment/ 60 days
5.	Nanya Printed Circuit Board (Kunshan) Co., Ltd.* (南亞電路板(昆山)有限公司)	Raw Materials and tooling services	2021	13,874	2.5	Advance Payment
				188,338	**33.9**	

For the year ended December 31, 2023

No.	Supplier	Major products/ Services provided to us	Year of commencement of business relationship with us	Purchase amount	Percentage of total purchase amount for the period	Credit terms
				RMB'000	*%*	*days*
1.	Supplier Group B*(Note 2)*	Electricity	2021	45,729	10.4	Advance Payment
2.	Supplier Group A*(Note 1)*	Raw Materials and tooling services	2021	35,313	8.0	30 days
3.	Nanya Printed Circuit Board (Kunshan) Co., Ltd.* (南亞電路板(昆山)有限公司)	Raw Materials and tooling services	2021	27,876	6.3	Advance Payment
4.	Shanghai Muyoutu New Material Co., Ltd.* (上海木有土新材料有限公司)	Raw Materials	2021	15,058	3.4	Advance Payment
5.	Supplier C*(Note 3)*	Raw Materials	2021	12,297	2.8	30 days
				136,273	**30.9**	

Notes:

1. Supplier Group A consists three private enterprises incorporated in the PRC and located in Guangdong Province, the PRC. Their business scope covers manufacturing of computers, communications equipment and other electronic devices, electronic components, electronic specialty materials, and electronic circuits.

2. Supplier Group B is a state-owned enterprise of the PRC. It is an electric power utility companies in Jiangsu Province, the PRC, and its business scope includes the supply of electricity. It consists of two subsidiaries that provide services to us, located in Nanjing and Yangzhou.

3. Supplier C is a private enterprise incorporated in the PRC and located in Shanghai, the PRC. Its business scope includes the provision of specialized equipment for semiconductor devices, discrete semiconductor devices, metal materials, metal products and other related products.

Salient terms of contracts with suppliers

The following summarizes the salient terms of the purchase contracts with our suppliers for the purchase of raw materials:

Contract price and payment	The purchase price is specified in each purchase order. We are responsible for making timely payments to suppliers, which are settled by bank transfer or bank draft.
Term	Contracts for single purchase order may be entered on ad hoc basis, or in case of framework agreements, generally for a fixed term of two or three years.
Scope	Each purchase order sets out the product name, specifications, quantity, delivery schedule and other details, and the suppliers are required to supply raw materials in accordance with the specified standards.
Suppliers' obligations	The raw materials shall meet the agreed quality standards as set out in the contract. The suppliers generally deliver the raw materials to us at their own delivery costs.
Warranty	For defective products caused by the supplier, we are entitled to request a return or replacement, and the supplier shall bear the costs for returning the defective products.
Termination	Generally both parties are entitled to terminate the framework agreement with 30 days' prior written notice, without affecting any purchase orders already in effect.

SALES AND MARKETING

Geographical Regions of Our Revenue

We predominantly market and provide our products to customers within the PRC, where is and will remain to be the core focus of our business. Currently, less than 10% of our services are provided to customers in Taiwan, China, Hong Kong and the United States. The table below details the revenue of our total sales during the Track Record Period based on geographical regions as follows:

	For the year ended December 31,						For the four months ended April 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(unaudited)			
PRC	489,264	96.1	807,167	97.6	957,873	94.6	302,651	98.8	337,002	93.7
Taiwan, China	–	–	253	–	9,154	0.9	788	0.2	12,382	3.4
Hong Kong	18,826	3.7	19,289	2.3	9,703	1.0	2,932	1.0	5,017	1.4
United States	987	0.2	665	0.1	35,429	3.5	–	–	5,271	1.5
Total	**509,077**	**100.0**	**827,374**	**100.0**	**1,012,159**	**100.0**	**306,371**	**100.0**	**359,672**	**100.0**

Our sales in the PRC comprise over 90% of the total revenue for each of the Track Record Period. We recorded revenue generated from the PRC of RMB489.3 million, RMB807.2 million, RMB957.9 million, RMB302.7 million and RMB337.0 million for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, accounting for 96.1%, 97.6%, 94.6%, 98.8% and 93.7% of our total revenue for the same periods, respectively. We established our business presence in Taiwan, China, Hong Kong and the United States. We recorded revenue generated from Taiwan, China, Hong Kong and the United States of RMB19.8 million, RMB20.2 million, RMB54.3 million, RMB3.7 million and RMB22.7 million for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, accounting for 3.9%, 2.4%, 5.4%, 1.2% and 6.3% of our total revenue for the same periods, respectively.

Breakdown of Product Type by Sales Volume

Below is the chart of the major product category and the sales volume during the Track Record Period:

	For the year ended December 31,						For the four months ended April 30,			
	2023		2024		2025		2025		2026	
	Unit'000	*%*	*Unit'000*	*%*	*Unit'000*	*%*	*Unit'000*	*%*	*Unit'000*	*%*
QFN . .	1,728,310	69.8	3,077,956	66.2	3,131,830	57.4	974,251	60.9	991,795	54.1
BGA . .	101,919	4.1	147,930	3.2	198,408	3.6	66,619	4.2	68,849	3.8
LGA . .	178,267	7.2	499,850	10.7	1,121,221	20.5	258,665	16.2	512,416	27.9
WLP . .	468,248	18.9	926,459	19.9	1,012,529	18.5	301,263	18.8	260,997	14.2
Total . .	**2,476,745**	**100.0**	**4,652,196**	**100.0**	**5,463,989**	**100.0**	**1,600,798**	**100.0**	**1,834,057**	**100.0**

Note:

(1) The sales volume of 2.5D/3D mainly consisted of non-recurring engineering (NRE) batches, and accordingly, the sales volume of 2.5D/3D may not be of reference value.

For 2024, we recorded the total units of products sold at approximately 4,652 million units, experiencing an increase as compared to approximately 2,476 million units for 2023, which was mainly due to: (a) increase in sales units in QFN to Beijing Chipone North Technology Co., Ltd.* (北京集創北方科技股份有限公司), Customer Group C, and Customer E, in particular Customer B; (b) increase in sales units in BGA to Customer Group A , Customer H and Customer N; (c) increase in sales unit in LGA to Customer P, Customer Group F, XinpleTek (Shanghai) Co., Ltd.* (芯樸科技(上海)有限公司), in particular, acquisition of new customer Customer B for LGA-FC products; (d) increase in sales unit in WLP to Customer J, Customer D and Shenzhen Injoinic Technology Co., Ltd.* (深圳英集芯科技股份有限公司). The reason for the increase in overall sales volume was that, after the industry downturn in 2022 and 2023, most customers' inventories had fallen to low levels and needed to be replenished to a reasonable level. At the same time, the consumer electronics market as a whole experienced a recovery in 2024, which drove demand growth.

For 2025, we recorded the total units of products sold at approximately 5,463 million units. The increasing trend was primarily attributable to: (a) increase in sales units in QFN to Customer Group C attributable to increased market demand for WiFi products, Customer Group F attributable to increased market demand for RF power amplifiers and RF switches, and Beijing Chipone North Technology Co., Ltd.* (北京集創北方科技股份有限公司) attributable to increased market demand in LED; (b) increase in sales units in BGA to Customer Group A, Customer H and Customer N as a result of increased purchase order by way of tenders; (c) increase in sales unit in LGA to Customer R and Customer B attributable to increased market demand in RF switch; (d) increase in sales unit in WLP to Shenzhen Injoinic Technology Co., Ltd.* (深圳英集芯科技股份有限公司) attributable to increased market demand in power bank.

For the four months ended April 30, 2026, we recorded total units of products sold at approximately 1,834 million units. The increasing trend was primarily attributable to: (a) increase in sales units of BGA to a leading fabless semiconductor company in Taiwan, China, Customer BB and Customer Group A as a result of increased purchase orders obtained through tenders; and (b) an increase in sales units of LGA to Customer Group F, Customer Group M and Customer B attributable to increased market demand for RF power amplifiers and RF switches.

Average Selling Price by Product Segment

The following table sets forth our Group's average selling price by product segment:

	For the year ended December 31,			For the four months ended April 30,	
	2023	2024	2025	2025	2026
				RMB	
QFN	0.10	0.09	0.10	0.09	0.12
BGA	1.80	1.65	1.54	1.54	1.41
LGA	0.46	0.30	0.19	0.23	0.17
WLP	0.15	0.16	0.17	0.17	0.19
2.5D/3D[(1)]	5.00	603.00	244.00	–	–

Note:

(1) The sales volume of 2.5D/3D mainly consisted of non-recurring engineering (NRE) batches, and accordingly, the sales volume and average selling price of 2.5D/3D may not be of reference value.

During the Track Record Period, the material fluctuations in the average selling prices of our products were primarily attributable to the following factors:

From 2023 to 2025, the average selling prices of QFN maintained at a stable level at RMB0.09 to RMB0.10 per unit, mainly due to our pricing strategy to maintain the selling price of the QFN with key customers, namely, Customer EE, Customer Group C, Customer Group F, Customer E, Customer B and Customer DD with a view of retaining their purchase volume. The increase in the average selling price of QFN products for the four months ended April 30, 2026 as comparing to the corresponding period in 2025 was attributable to changes in product specifications and mix, increased contribution from higher-value products and/or more favorable negotiated selling prices.

In respect of BGA, the average selling price decreased from approximately RMB1.80 per unit in 2023 to approximately RMB1.65 per unit in 2024 and further to RMB1.54 in 2025. The average selling price experienced a decrease in 2024, primarily due to that we offered a competitive price to Customer H and Customer N for them to increase purchase volume in 2024. The average selling price experienced a slight decrease in 2025, primarily due to: (a) we offered a competitive price on BGA products for Customer Group A in order for it to maintain its purchase volume; (b) there was a decrease in purchase volume from Customer O, which has a higher average selling price for BGA products in 2024; and (c) we offered a competitive price to Customer H for it to increase its purchase volume in 2025. The decrease in the average selling price of BGA products for the four months ended April 30, 2026, as compared with the corresponding period in 2025, were primarily attributable to lower selling prices of BGA products supplied to Customer Group A amid intensified market competition in 2025 and early 2026.

For LGA, the average selling price decreased from approximately RMB0.46 per unit in 2023 to approximately RMB0.30 per unit in 2024 and further to RMB0.19 per unit in 2025. The decrease in 2024 was primarily due to us offering a competitive price to Customer Group R to increase its purchase volume in 2024. The further decrease in 2025 was primarily due to (a) a decrease in purchase volume from Customer P, which had a higher average selling price for LGA products in

2024; (b) we offered a competitive price to Customer Group F to increase its purchase volume; and (c) a competitive price offered to Customer B to increase its purchase volume in 2025. The average selling price of LGA products decreased from RMB0.23 per unit for the four months ended April 30, 2025 to RMB0.17 per unit for the corresponding period in 2026, primarily attributable to the fact that certain major customers, including Customer B and Customer Group F, began to provide their own substrates in 2026. As a result, the selling prices of the relevant LGA products no longer included the cost of substrates that had previously been procured and provided by the Group, resulting in a lower average selling price. Accordingly, the decrease in the average selling price of LGA products primarily reflected the change in the substrate supply arrangement.

For WLP, the average selling price remained relatively stable, moving from RMB0.15 per unit in 2023 to RMB0.17 in 2025. This stability reflected our pricing strategy of maintaining WLP selling prices for our major customers, namely, Customer J, Customer I, and Customer DD with a view to retaining their purchase volumes. The slight increase in the WLP average selling price to RMB0.17 per unit in 2025 was primarily attributable to a change in the model mix sold to Customer D, which carried a higher average selling price. The average selling prices of WLP for the four months ended April 30, 2025 and 2026 were recorded at RMB0.17 and RMB0.19 per unit, respectively.

For 2.5D/3D, we had not yet achieved mass production during the Track Record Period, and the sales volume mainly consisted of non-recurring engineering (NRE) batches. Accordingly, the fluctuations in the average selling price of 2.5D/3D during the Track Record Period may not be indicative of the average selling price under mass production.

We adopt a direct sales approach to market our packaging products which enhances our competitive advantage. We operate as an OSAT service provider within the semiconductor industry value chain and primarily provide semiconductor packaging products and testing services to fabless semiconductor companies. We maintain direct contractual and business relationships with our customers, which primarily comprise fabless semiconductor companies. Under the typical industry model, our customers engage wafer foundries for wafer fabrication and separately engage us for packaging and testing services. Upon completion of wafer fabrication, wafers are delivered by wafer foundries to us in accordance with our customers' instructions. We do not have direct contractual relationships with wafer foundries, and wafer foundries are not our customers or contractual counterparties.

In the absence of the involvement of distributors, we foster close relationships with our customers, enabling personalized interactions and understanding of their specific needs. As of April 30, 2026, our sales department consisted of 33 members who worked closely with other departments to execute our marketing strategies.

CUSTOMERS

Our Top Five Customers

Our customers primarily include upstream direct customers of fabless semiconductor companies. Revenue contributed by our five largest customers for each year during the Track Record Period accounted for approximately 50.4%, 53.0%, 54.6% and 55.0% of our total revenue for the years ended December 31, 2023, 2024, and 2025 and the four months ended April 30, 2026, respectively. In the corresponding period, our sales to our single largest customer for each year during the Track Record Period accounted for approximately RMB138.8 million, RMB204.0 million, RMB248.3 million and RMB71.0 million, which accounted for approximately 27.3%, 24.7%, 24.5% and 19.7% of our revenue, respectively. Our Directors consider that we do not place over-reliance on any single customer because we have had a large pool of customers for the corresponding period. During the Track Record Period, we generally granted credit terms of 30 to 70 days to our customers. Payment of purchase price by customers is settled by bank transfer or bank draft. Having made reasonable enquiries, to the best knowledge, information and belief of our

Directors, all of our top five customers for each year during the Track Record Period were Independent Third Parties, and none of our Directors, their close associates or any existing Shareholder, who or which, to the best knowledge of our Directors' knowledge, owns more than 5% of the issued share capital of our Company as of the Latest Practicable Date, had any interest in any of our top five customers in each year of the Track Record Period.

The following tables set out the details of our five largest customers in each year based on sales to them during the Track Record Period:

For the four months ended April 30, 2026

No.	Customer	Year of commencement of business Relationship with us	Products/services provided by us	Revenue	Percentage of total revenue	Credit terms
				RMB'000	*%*	*days*
1	Customer Group A[(Note 1)]	2021	Packaging and testing	71,008	19.7	60
2	Customer B[(Note 2)]	2021	Packaging and testing	35,690	9.9	45
3	Radrock (Chongqing) Technology Co., Ltd.* (鋭石創芯(重慶)科技股份有限公司)	2021	Packaging and testing	35,659	9.9	60
4	Customer Group C[(Note 3)]	2021	Packaging and testing	35,062	9.7	70
5	XinpleTek (Shanghai) Co., Ltd.* (芯樸科技(上海)有限公司)	2022	Packaging and testing	20,719	5.8	60
				198,138	**55.0**	

For the year ended December 31, 2025

No.	Customer	Year of commencement of business relationship with us	Products/ services provided by us	Revenue	Percentage of total revenue	Credit terms
				RMB'000	*%*	*days*
1	Customer Group A[(Note 1)]	2021	Packaging and testing	248,349	24.5	60
2	Radrock (Chongqing) Technology Co., Ltd.* (鋭石創芯(重慶)科技股份有限公司)	2021	Packaging and testing	99,566	9.8	60
3	Customer B[(Note 2)]	2021	Packaging and testing	89,940	8.9	30
4	XinpleTek (Shanghai) Co., Ltd.* (芯樸科技(上海)有限公司)	2022	Packaging and testing	65,270	6.4	60
5	Customer Group C[(Note 3)]	2021	Packaging and testing	50,993	5.0	70
				554,118	**54.6**	

For the year ended December 31, 2024

No.	Customer	Year of commencement of business relationship with us	Products/ services provided by us	Revenue	Percentage of total revenue	Credit terms
				RMB'000	*%*	*days*
1. . .	Customer Group A*(Note 1)*	2021	Packaging and testing	204,000	24.7	60
2. . .	Radrock (Chongqing) Technology Co., Ltd.* (鋭石創芯(重慶)科技股份有限公司)	2021	Packaging and testing	83,241	10.1	60
3. . .	Customer B*(Note 2)*	2021	Packaging and testing	64,909	7.8	30
4. . .	Customer D*(Note 4)*	2021	Packaging and testing	46,339	5.6	45
5. . .	Customer Group C*(Note 3)*	2021	Packaging and testing	39,177	4.8	70
				437,666	**53.0**	

For the year ended December 31, 2023

No.	Customer	Year of commencement of business relationship with us	Products/ services provided by us	Revenue	Percentage of total revenue	Credit terms
				RMB'000	*%*	*days*
1. . .	Customer Group A*(Note 1)*	2021	Packaging and testing	138,775	27.3	60
2. . .	Radrock (Chongqing) Technology Co., Ltd.* (鋭石創芯(重慶)科技股份有限公司)	2021	Packaging and testing	41,140	8.1	60
3. . .	Customer E*(Note 5)*	2021	Packaging and testing	28,637	5.6	60
4. .	Chipone Technology (Beijing) Co., Ltd.* (北京集創北方科技股份有限公司)	2021	Packaging and testing	23,840	4.7	60
5. . .	Customer Group C*(Note 3)*	2021	Packaging and testing	23,205	4.7	70
				255,597	**50.4**	

Notes:

1. Customer Group A consists (a) a global fabless semiconductor company founded in 1995 and headquartered in California, the United States; and (b) a company incorporated in the PRC in 2003 and listed on the Shanghai Stock Exchange. It engages in the design and sale of system-on-a-chip (SoC) solutions for multimedia consumer devices, and is the parent company of an entity listed on the Shanghai Stock Exchange.

2. Customer B is a private enterprise incorporated in the PRC in 2021, with its location in Jiangsu Province, the PRC. Its business scope includes the provision of information technology services and integrated circuit design.

3. Customer Group C consists (a) a company incorporated in Hong Kong in 2008; and (b) a company incorporated in the PRC in 2004 and listed on the Shanghai Stock Exchange as well as its subsidiaries. It specializes in the design, development and supply of semiconductor and infrastructure software solutions.

4. Customer D is a private enterprise incorporated in the PRC in 2016, with its location in Shanghai, the PRC. Its business scope includes the provision of integrated circuit design and related services; IC design.

5. Customer E is a company incorporated in the PRC in 2016 and listed on the Shanghai Stock Exchange. Its business scope includes electronic device manufacturing and integrated circuit manufacturing.

Salient terms of our sale contracts with customers

The salient terms of our sales agreements during the Track Record Period are set out below:

Contract price and payment	The contract price shall be determined based on a price mutually agreed by both parties in writing. Payments for our services shall be settled by bank transfer or bank draft within a period ranging from 30 to 70 days from the invoice date.
Term	Generally two to three years.
Logistics	We are generally responsible for delivering the packaged products to locations designated by our customers and bear the relevant transportation costs, with risks transferred to our customers upon delivery.
Confidentiality	We and our customers are typically prohibited from disclosing confidential information in relation to our cooperation to any third parties.
Product return	Our customers are entitled to return products to us for quality issues attributable to us, and such returns will be handled in accordance with the relevant provisions set out in the quality agreement.
Renewal	Where there are no objections of the parties, the agreement is automatically renewed for a further period of one year upon expiry of its initial term.
Termination	Either party is entitled to terminate the agreement in accordance with the terms specified in the agreement, including material breach of contract.

The sales contracts do not specify any minimum sales commitment. For details on recognition of revenue from contracts with customers, see "Financial Information — Material Accounting Policy Information". During the Track Record Period and up to the Latest Practicable Date, our Directors confirmed that we did not experience any breach of the aforementioned sales contracts which could cause a material adverse effect on our business, financial condition or results of operations.

OVERLAPPING CUSTOMERS AND SUPPLIERS

During the Track Record Period, one of our top five customers were also our supplier and one of our top five suppliers was our customer. The following table sets out our Group's total sales revenue and purchase amount from the overlapping customers-suppliers during the period indicated:

	For the year ended December 31			For the four months ended April 30	
	2023	2024	2025	2025 (unaudited)	2026
Sales to the overlapping customer-suppliers					
Sales revenue (RMB'000)	138,775	204,109	248,349	83,310	71,008
As a percentage of our total sales revenue (%)	27.3	24.7	24.5	27.2	19.7
Gross profit/(loss) (RMB'000)	(1,564)	3,420	(4,938)	(4,044)	(4,588)
Gross profit/(loss) margin (%)	(1.1)	1.7	(2.0)	(4.9)	(6.5)

	For the year ended December 31			For the four months ended April 30	
	2023	2024	2025	2025 (unaudited)	2026
Purchases from overlapping customers-suppliers					
Purchase amount (RMB'000)	15,299	14,298	17,774	4,134	8,823
As a percentage of our total purchase costs (%)	3.5	2.6	2.6	2.0	3.5

Customer Group A, one of our five largest customers in 2023, 2024, 2025 and the four months ended April 30, 2026, was one of our suppliers in 2023. We provided Customer Group A with packaging products and testing services, primarily comprised of BGA, WLP and QFN, which contributed to approximately 27.26%, 24.66%, 24.54% and 19.74% of our revenue in 2023, 2024, 2025 and the four months ended April 30, 2026. Customer Group A supplied our Company with substrates as raw materials to be used in our production process, which accounted for approximately 0.8% of our total purchase amount in 2023. As such, Customer Group A is regarded as an overlapping customer and supplier.

Shanghai Tongye Trading Co.* (上海桐燁貿易商行), one of our five largest suppliers in 2024, 2025 and the four months ended April 30, 2026, was one of our customers in 2024. Shanghai Tongye Trading Co.* (上海桐燁貿易商行) provided us with raw material, primarily comprised of encapsulation and die attach adhesive, contributed to approximately 2.6%, 2.6%, 2.6% and 3.5% of our total purchase amount in 2023, 2024, 2025 and the four months ended April 30, 2026. Shanghai Tongye Trading Co.* (上海桐燁貿易商行) acquired scrap and materials primarily comprised of chemical resin from us in 2024, which accounted for approximately 0.01% of our total revenue in 2024. As such, it is regarded as an overlapping customer and supplier.

Our Directors confirm that our Group's sales and purchases to/from such overlapping customers-suppliers were: (a) entered into after due consideration taking into account the prevailing purchase and selling prices at the relevant times, (b) conducted in the ordinary course of business under normal commercial terms and on an arm's length basis, and (c) at prices that are no less favorable than from other independent third parties who are not customer-suppliers. To the best knowledge of our Directors, our Group did not have any other overlap between our other major customers and major suppliers during the Track Record Period.

DATA SECURITY AND PRIVACY

In the course of our business, we collect, store and process business data and transaction data. As we mostly make transactions with corporate customers, we do not collect or process personal data. See "Risk Factors — Risks Relating to Our Business and Industry — Any failure to obtain requisite approvals, licenses or permits applicable to our business operation may have a material and adverse impact on our business, financial condition and results of operations." and "Regulatory Overview — Regulations Relating to Data Security, Cybersecurity and Information Security". We have obtained the ISO/IEC 27001 certification for our information security management system and manage sensitive data storage in accordance with the system requirements. We have established internal protocols on data security, which set forth requirements in relation to the use, disclosure and protection of confidential information. Our internal protocols provide limited authorization to our employees holding specific positions at specific levels to access and process corporate data on a need-to-know basis, who shall use such data only for the purposes of performing their work assignment. All of our full-time employees are bound by confidentiality clauses within their employment contracts, which prohibit them from disclosing any confidential information relating to their work without our consent. Where joint development with third parties is involved, we require such parties to sign a non-disclosure agreement (NDA) or confidentiality clauses and data are only exchanged in accordance with such non-disclosures agreement. We have a data backup system to encrypt and store data across multiple servers 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.

During the Track Record Period and up to the Latest Practicable Date, we had not received any third-party claims against us on the ground of infringement of the party's right to data protection as provided by any applicable laws and regulations. Our Directors confirm that we had complied with the applicable laws and regulations regarding personal information privacy and data security in all material aspects.

INVENTORY MANAGEMENT

Our inventories consist of raw materials, work in progress, finished goods and goods in transit. See "Financial Information — Discussion of Certain Selected Items from our Consolidated Statements of Financial Position — Inventories." We create customer demand forecasts based on the demand forecasts shared by our respective customers to determine the quantity of products we should pre-order from our suppliers to stock up in advance to meet those demands. We typically do this by breaking down the customer's forecast into months for determining its packaging schedule for placing orders with suppliers. Our finished goods consist primarily of packaged products, raw materials consist primarily of substrates, adhesives and electronic components, and our work in progress inventories consist primarily of foundry-manufactured wafers to be further packaged by us. Our goods in transit represent finished goods being in the process of delivery to our customers.We have implemented an ERP system to achieve systematic management of the inventory process. We are able to track inventory status and movement records in real time, and perform periodic stock-taking and financial reconciliation based on system-generated data. Our procurement department is responsible for inventory audit and inspection, and reports to senior management on the inspection results and shortfalls. Our Directors confirm that our inventory control system and policies have been effective and we did not experience any material shortage in supply or overstock of inventories during the Track Record Period and up to the Latest Practicable Date.

INTELLECTUAL PROPERTY

We regard our patents, trademarks, trade secrets and other intellectual property rights as critical to our business operations. As of the Latest Practicable Date, our Group had 232 registered patents, which consisted of 41 invention patents and 191 utility model patents in the PRC, covering key areas, such as, packaging structuring, methodology, device and testing system. In addition, we owned three PCT[(1)] patent applications, one of which had entered the national phase in the United States. As of the Latest Practicable Date, we had 24 registered trademarks and nine registered copyrights in the PRC. We are also the registered owner of three domain names.

For detailed information about our material intellectual property, see "Statutory and General Information — Further Information about our Business — Intellectual Property Rights" in Appendix VI to this prospectus. As of April 30, 2026, we have not authorized any third parties to use our technology, patents, trademarks, copyrights or other intellectual property rights. We rely primarily on a combination of patents, trademarks, trade secrets, and unfair competition laws and contractual rights, such as confidentiality agreements or clauses, to protect our intellectual property rights. We generally state all rights and obligations regarding the ownership and protection of intellectual properties in employment confidentiality agreements and some commercial agreements we enter into. We will take the following measures to protect our intellectual property rights: (a) implementing a set of comprehensive internal policies to establish robust management over our intellectual property rights, (b) deploying a designated team to guide, manage, supervise and monitor our daily work regarding intellectual properties, (c) timely registration, filing and application for ownership of our intellectual properties, (d) actively tracking the registration and authorization status of intellectual properties and take action if any potential conflicts with our intellectual properties are identified, and (e) engaging professional intellectual property service providers if needed. As of the Latest Practicable Date, we had not been subject to any material disputes or claims for infringement upon third parties' intellectual property rights in the PRC and, to the best knowledge of our Directors and senior management, they are not aware of any such disputes. See "Risk Factors — Our business depends on our ability to protect our intellectual property rights, and we may be subject to intellectual property infringement and other claims by third parties in the PRC or other jurisdictions, which, if successful, could cause us to pay significant damages and incur other costs."

COMPETITION

We face competition in respect of the quality and techniques of our packaging products and technologies, our ability to meet customers' expectations, and our experience and reputation. According to Frost & Sullivan, principal competitive factors in our industry generally include stability and reliability of the packaged product, price competitiveness, marketing and sales capabilities, and brand influence. There are high barriers for our competitors to enter into the semiconductor packaging and testing industry, which include, among others (a) the need for

Notes:

(1) The three PCT applications are related to our Group's semiconductor packaging technologies. In particular:

(a) the PCT application published under WO2024067275A1, titled "A chip packaging method and chip packaging structure with a high-density interconnection layer" (一種具有高密度連接層的芯片封裝方法及其芯片封裝結構), relates to the Group's 2.5D/3D packaging products and has entered the national phase in the United States, and the corresponding U.S. patent has been granted;

(b) the PCT application published under WO2024217075A1, titled "A wafer-level fan-out packaging structure using a silicon-based support structure and a method for manufacturing the same" (使用硅基支撐結構的晶圓級扇出型封裝結構及其製備方法), relates to the Group's WLP packaging products, and the time limit for entering the national phase has expired without further national phase filings; and

(c) the PCT application published under WO2025102621A1, titled "A wafer-level ultra-thin quad flat no-lead chip packaging method and chip packaging structure" (一種晶圓級超薄四邊無引腳芯片封裝方法及芯片封裝結構), relates to the Group's WLP packaging products, and the time limit for entering the national phase has expired without further national phase filings.

interdisciplinary expertise across packaging engineering, materials science, and chip design, with experienced teams capable of handling complex processes and failure analysis; (b) OSAT model demands considerable investment in advanced facilities and equipment, making it difficult for smaller players to scale; (c) deep collaboration with fabless companies and foundries is essential, and established companies benefit from long-term customer trust, while new entrants struggle to build stable supply chains and win high-end orders; and (d) traditional and advanced semiconductor packaging depends on highly precise technologies and demands substantial long-term investment to address complex challenges in material compatibility and thermal management. Companies must possess strong interdisciplinary R&D capabilities across multiple domains, and ensure process stability through massive volume production. These high technical barriers make it difficult for new entrants to quickly establish competitiveness or achieve reliable mass production in the short term. For details on market size and data of our industry and the competitive landscape of our industry, see "Industry Overview."

EMPLOYEES

Our Group had 2,415 full-time employees as of April 30, 2026, all of whom were based in the PRC. The following table sets forth the number of our employees by function:

Function	Number of employees As of April 30, 2026	Percentage of total employees
		(%)
Senior management	5	0.2
R&D	277	11.5
Production	1,729	71.6
Sales and marketing	33	1.4
Business operations and administration	168	7.0
Quality control	203	8.4
Total	**2,415**	**100**

Note:

(1) In addition to the 2,415 full-time employees mentioned above, we also had 357 workers comprising 87 dispatched workers, 268 interns and two re-employed retirees.

We recognize the importance of talents for sustainable business growth. We use a variety of recruitment methods to attract talents and qualified personnel, including online and other external recruitment channels, as well as internal referrals. We offer employees relatively competitive salaries, performance-related bonuses and other incentives. We may enter into non-competition agreements with our senior management or other key employees provided that there is involvement in any competing business. We review the performance of our employees on an annual basis with reference to, among other criteria, how well they have met or exceeded performance targets.

During the Track Record Period, we have not made full contributions to social insurance and housing provident funds for certain employees. According to the Social Insurance Law of the PRC (中華人民共和國社會保險法) and the Administrative Regulations on the Housing Provident Fund of the PRC (住房公積金管理條例), we are required to make social insurance fund contributions and housing provident fund contributions for our employees in the PRC. If an employer fails to pay its social insurance contributions in accordance with the Social Insurance Law of the PRC, the regulator may demand the employer to pay all outstanding social insurance contributions within a prescribed time limit. The employer may also be subject to a surcharge at a daily rate of 0.05% on the outstanding amount, accruing from when the social insurance funds are due. If the employer fails to make such payment within a prescribed time limit, the relevant authority may impose an additional fine of one to three times the outstanding amount. If an employer fails to pay its housing provident fund contributions in accordance with the Administrative Regulations on the Housing

Provident Fund of the PRC, the regulator has the power to order the employer to make contribution within a prescribed time limit and if the employer fails to act accordingly, an application for compulsory enforcement can be made to the People's Court of the PRC.

Potential Legal Consequences and maximum liability

In 2023, 2024 and 2025 and the four months ended April 30, 2026, our shortfall in social insurance and housing provident fund contribution amounted to approximately RMB14.1 million, RMB15.4 million, RMB18.6 million and RMB9.7 million, respectively. For the shortfall of social insurance, we may be subject to the following legal consequences: (i) to pay all outstanding social insurance contributions within a prescribed period, with late fees at a daily rate of 0.05% of the outstanding amount, accruing from the date when the social insurance contributions are due, and (ii) to pay a fine of one to three times of the overdue amount if such payment is not made within the stipulated period. For the shortfall of housing provident funds, we may be subject to the following legal consequences: (i) to pay the outstanding amount within a prescribed period, and (ii) an application may be made to the courts for compulsory enforcement if the payment is not made within such time limit. As advised by our PRC Legal Advisor, should our Company be required by the regulatory authorities to make full supplementary payment of all shortfalls in social insurance and housing provident fund contributions and the relevant late payment charges in a lump sum, the total amount to be settled would amount to RMB64.9 million in aggregate.

According to the Interpretation II of the Supreme People's Court of Issues Concerning the Application of Law in the Trial of Labor Dispute Cases (《最高人民法院關於審理勞動爭議案件適用法律問題的解釋(二)》) enacted by the Supreme People' Court on 31 July 2025 and implemented on 1 September 2025. Where an employer and an employee enter into a written or verbal agreement that social insurance premiums need not be paid by both parties, the people's court shall not support this arrangement and shall determine that the agreement is invalid. Accordingly, when an employer fails to pay social insurance premiums even as previously agreed between the employer and an employee, upon the employee's termination of the employment contract, the employer shall make up the unpaid social insurance premiums and pay economic compensation to the employee in accordance with the provisions of the Labor Law.

During the Track Record Period and as of the Latest Practicable Date, we had not made social insurance and housing provident funds for some of our employees in full in accordance with the relevant PRC laws and regulations. As a result, we may be required by competent authorities to pay the outstanding amount, and may be subject to late payment penalties or enforcement application made to the court. As of the Latest Practicable Date, no competent government authorities had imposed administrative action, fine or penalty to us with respect to this non-compliance incident nor had any competent government authorities required us to settle the outstanding amount of social insurance payments and housing provident fund contributions.

Latest Status and Remedial Measures

As of the Latest Practicable Date, no administrative action or penalty had been or, to the knowledge of our Directors, potentially will be, imposed by the relevant regulatory authorities with respect to our social insurance and housing provident fund contributions, nor had we received any order to settle the deficit amount. As of the Latest Practicable Date, we were not aware of any material complaint filed by any of our employees regarding our social insurance and housing provident fund policy. Our PRC Legal Advisor is of the view that the risk of any action to be taken by relevant government authorities demanding us to make up for our historical arrears of social insurance and housing provident fund is remote, provided that there are no significant changes in current policies, regulations, local government supervision, and law enforcement requirements related to social insurance and housing provident fund and based on the following reasons: (a) during the Track Record Period and up to the Latest Practicable Date, we had not received any notification from the relevant government authorities requiring us to settle any payment shortfall; (b) we had not been subject to any administrative penalties with respect to social insurance

premiums and housing provident funds; and (c) if any notice related to the payment of social insurance and housing provident funds is received from government authorities in the future, Mr. Zhang, and Mr. Pan and Mr. Liu, being his parties acting in concert, undertake that they will make up the required amount within the stipulated period. Therefore, our Directors believe that our failure to fully pay social insurance premiums and housing provident funds will not have an adverse impact on our financial condition and business operation.

We have taken the following internal control enhancement measures relating to social insurance and housing provident funds contributions:

- We have designated our human resources department to monitor the reporting and contributions of social insurance and housing provident funds;
- We will consult our PRC legal counsel on a regular basis for advice on relevant PRC laws and regulations to keep us abreast of relevant regulatory developments; and
- We will actively communicate with relevant social insurance and housing fund local authorities to ensure we have the most updated information about the relevant laws and regulations concerning social insurance and housing fund. If the relevant authorities order us to pay the outstanding social insurance and/or housing provident funds or take any rectification measures in accordance with applicable laws and regulations, we undertake to make such payments or take such rectification measures promptly within the specified period.

We plan to make full payment of social insurance and housing provident fund contributions based on the actual salaries of our employees as soon as feasible in accordance with the regulatory window to adjust employee salary base filed with the relevant authorities in China. In particular, we currently expect to make full contribution within five years following the Listing. If the relevant authorities order us to shorten the foregoing rectification period, we will make full payments and take all necessary rectification measures within the time frame as required by relevant authorities once we receive such requirements. See "Risk Factors — Risks Relating To Our Business and Industry — Failure to comply with PRC labor laws and regulations including regulations in relation to social insurance and housing fund contributions for our employees, could subject us to fines and other legal or administrative sanctions."

Based on the foregoing, the Sole Sponsor is of the view that it has not identified any material issues relating to the adequacy and effectiveness of our enhanced internal control measures relating to social insurance and housing provident fund contributions.

PROPERTIES

We are headquartered in Nanjing, the PRC. As of the Latest Practicable Date, our Group had the state-owned land use rights of two properties in the PRC with an aggregate GFA of approximately 166,136.51 sq.m., owned one property in the PRC with an aggregate GFA of approximately 84,805.01 sq.m. and leased six properties in the PRC with an aggregate GFA of approximately 76,743.06 sq.m. from third parties. These properties were used primarily as premises of office spaces, production, R&D activities and staff dormitories. Our lease agreements in respect of the abovementioned leased properties generally have lease terms ranging from one to five years.

Absence of Valid Ownership Certificate

As of the Latest Practicable Date, the lessor of one of our leased properties failed to provide us with the real estate ownership certificates. This leased property, covering approximately 8,294.12 sq.m., is primarily used for our offices, production and R&D activities. According to the written confirmation issued by the higher authority of the lessor dated October 10, 2025, the lessor has not yet obtained the ownership certificates for the leased properties. However, it has legally obtained necessary construction permits including the Construction Project Planning Permit (建設工程規劃許可證) and Construction Permit for Building Works (建築工程施工許可證). The lessor is applying for the ownership certificates and expects no substantial obstacles to obtaining them.

Pursuant to the Interpretation of the Supreme People's Court on Several Issues Concerning the Specific Application of Law in the Trial of Disputes over Lease Contracts of Urban Buildings (2020 Amendment)(《最高人民法院關於審理城鎮房屋租賃合同糾紛案件具體應用法律若干問題的解釋(2020修正)》), the absence of a real estate ownership certificate for a building would not affect the validity of a lease agreement, provided that such building has obtained the Construction Project Planning Permit (建設工程規劃許可證) in accordance with applicable PRC laws and regulations. As the power facilities building, Class A warehouse, hydrogen station and wastewater treatment station leased by the Company have obtained the relevant Construction Project Planning Permit (建設工程規劃許可證), the fact that such leased property has not yet obtained real estate ownership certificates would not render the corresponding lease agreements invalid. Our PRC Legal Advisor advised that as the lessee, we will not be subject to any penalties imposed by the competent administrative authorities on the ground that the leased assets do not hold ownership certificates.

Notwithstanding the above, as the leased property lacks the valid ownership certificate, according to our PRC Legal Advisor, there is a potential risk that we may be forced to vacate such leased properties and relocate the relevant production ancillary facilities to alternative premises. Pursuant to the confirmation statement issued by the lessor, in the event that unforeseeable circumstances prevent us from continuing to lease the subject buildings, the property owner undertakes to give priority to coordinating other suitable properties within the industrial park for leasing by us, and to assist in completing all relevant approval, filing and other compliance formalities. Accordingly, even if relocation is required in respect of the leased properties without real estate ownership certificates concerned herein, we expect to secure alternative leased premises in the vicinity of the industrial park that meet our operational requirements. Our PRC Legal Advisor further advised that, as a matter of administrative practice of the government authorities, a reasonable period will possibly be granted to us for the arrangement of relocation in the event that we are required to vacate our relevant production ancillary facilities to alternative premises. We estimate that the relocation would take approximately two days to complete and the relevant relocation costs would amount to approximately RMB200,000. Such leased property without valid ownership certificate is used solely for ancillary and supporting purposes and do not house any of our core production processes. The relocation would not involve the dismantling, relocation, installation or commissioning of any large-scale equipment, and our principal business operations would not be suspended or interrupted during the relocation period.

Our Directors believe that the aforementioned defective leased property would not materially and adversely affect our overall business, financial conditions or results of operations on the grounds that: (a) the lessor's authorized representative confirmed that the leased property is not subject to any government plan for reclamation or change of use, nor has it been included in any government demolition plan or been ordered to be demolished. In the event of any unforeseen circumstances that may prevent us from continuing to lease the aforementioned leased property, the lessor's authorized representative has indicated that it would assist in arranging alternative premises in the surrounding area that meet our operational needs and in completing the relevant compliance procedures, if required; (b) during the Track Record Period and up to the Latest Practicable Date, to the best knowledge of our Directors, our leases with respect to the defective leased property had never been challenged by any third parties; and (c) the aforementioned defective leased property is used solely for ancillary facilities supporting our production operations, with abundant available alternatives in the market. Our Directors are of the view that if our lease agreements are deemed invalid, or if we need to vacate such leased property, we could timely relocate to alternative premises at relatively low relocation costs and enter into lease agreements on comparable commercial terms.

Non-Registration of Lease Agreements

Pursuant to the applicable PRC laws and regulations, property lease agreements shall be registered with the relevant local branches of the PRC Ministry of Housing and Urban-Rural Development. As of the Latest Practicable Date, we had not completed the registration for six lease agreements relating to our leased properties in the PRC. According to the relevant PRC laws and regulations, we may be ordered by the relevant government authorities to register the relevant lease agreements within a prescribed period, failing which we may be subject to a fine ranging from RMB1,000 to RMB10,000 for each non-registered lease. As of the Latest Practicable Date, we did not receive any notice from any regulatory authority with respect to potential administrative penalties or enforcement actions as a result of our failure to register the leases described above. As advised by our PRC Legal Advisor, the lack of registration of the lease agreements does not affect the validity of such lease agreements, nor materially and adversely affect the operations of our Company and the Group. Therefore, our Directors believe that there will not be any material adverse impact on our overall business, financial conditions or results of operations.

As of April 30, 2026, none of the properties leased by us had a carrying amount of 15% or more of our consolidated total assets. According to Chapter 5 of the Hong Kong Listing Rules and section 6(2) of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this document is exempt from the requirements of section 342(1)(b) of the Companies (Winding up and Miscellaneous Provisions) Ordinance to include all interests in land or buildings in a valuation report.

INSURANCE

During the Track Record Period, we maintained insurance which covers potential losses relating to our properties, production equipment and inventories. Our Directors consider our insurance coverage to be customary for businesses of our size and type, and in line with the standard commercial practice in the PRC. During the Track Record Period, we had not been the subject of any liability claims which are of material nature to our Group. See "Risk Factors — Risks Relating to Our Business and Industry — We may not have sufficient insurance coverage to cover our potential liability or losses and as a result, our business, financial conditions, results of operations and prospects may be materially and adversely affected should any such liability or losses arise". As of the Latest Practicable Date, we had not experienced any business interruptions that had a material adverse effect on our business.

AWARDS AND RECOGNITIONS

The following table sets forth some of our major awards and recognitions received during the Track Record Period and as of the Latest Practicable Date:

Award/Recognition	Awarding year	Awarding Entity
2025 Jiangsu Provincial Advanced Smart Factory (2025年江蘇省先進級智能工廠)	2025	Jiangsu Provincial Department of Industry and Information Technology (江蘇省工業和信息化廳)
Jiangsu Provincial Unicorn Enterprise (江蘇省獨角獸)	2025	New Quality Productivity Center Of Jiangsu Province (江蘇省新質生產力促進中心)
2024 Nanjing City "Advanced Group in Promoting High-Quality Development and Exemplary Leadership" (2024年南京市"推動高質量發展爭當示範引領"先進集體)	2025	Nanjing Municipal Committee (南京市委員會), Nanjing Municipal People's Government (南京市人民政府)

Award/Recognition	Awarding year	Awarding Entity
Jiangsu Provincial Engineering Research Center for High-Density Advanced Packaging (江蘇省高密度先進封裝工程研究中心)	2024	Jiangsu Provincial Development and Reform Commission (江蘇省發展和改革委員會)
National High and New Tech Enterprises (高新技術企業)	2023	Jiangsu Provincial Department of Science and Technology (江蘇省科學技術廳), Jiangsu Provincial Department of Finance (江蘇省財政廳) and Jiangsu Provincial Tax Service, State Taxation Administration (國家税務總局江蘇省税務局)
Nanjing Engineering Research Center for High-Density Advanced Packaging (高密度先進封裝南京市工程研究中心)	2022	Nanjing Municipal Development and Reform Commission (南京市發展和改革委員會)

LICENSES, PERMITS AND APPROVALS

As of the Latest Practicable Date, as advised by our PRC Legal Advisor, we had obtained all material licenses and permits required for our business operations in the PRC, and such business licenses had remained in full effect. Our PRC Legal Advisor has advised us that there was no material legal impediments to renewing business licenses as of the Latest Practicable Date. The table below summarizes the major licenses and permits required by our Group for our current business operations:

Name of licence/permit	Authority granting license/permit	Holder	Date of issue	Date of expiry
Pollutant Emission Permit (排污許可證)	Nanjing Bureau of Ecology and Environment (南京市生態環境局)	The Company	March 20, 2025	March 19, 2030
	Yangzhou Bureau of Ecology and Environment (揚州市生態環境局)	Yangzhou Chiplet	June 27, 2025	June 26, 2030
Registration Certificate for Consignors and Consignees for Import and Export of Goods (進出口貨物收發貨人備案)	Jinling Customs, Nanjing Customs District (金陵海關)	The Company	/	December 31, 2099
	Yangzhou Customs, Nanjing Customs District (揚州海關)	Yangzhou Chiplet	/	December 31, 2099

RESPONDING TO THE COVID-19 OUTBREAK

On 30 January 2020, the International Health Regulations Emergency Committee of the World Health Organization ("**WHO**") declared the outbreak of novel coronavirus disease 2019 ("**COVID-19**"). On 11 March 2020, the WHO characterized the global spread of COVID-19 as a pandemic. The pandemic continued to evolve and affect countries worldwide through 2022. Throughout this period, we conducted our business activities in strict compliance with national and local epidemic prevention requirements. We implemented prevention and control measures to safeguard the health and safety of our employees and to ensure continuity of operations. These measures included remote working arrangements, social distancing protocols, mandatory mask wearing, and enhanced hygiene practices across our offices and production facilities. While certain areas imposed temporary lockdowns and restrictions, our adherence to these measures resulted only in limited and short-term disruptions. The impact on our operations and financial condition was minimal and non-lasting. Our supply chain, customer relationships, and overall business activities remained stable and resilient during the Track Record Period. As the pandemic has since subsided, and with the relaxation of epidemic control measures globally, we do not expect any further adverse impact on our business operations, supply chain, or financial performance arising from COVID-19.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We regard Environmental, Social, and Governance ("**ESG**") as a fundamental cornerstone for the long-term development of our Company, striving to integrate it deeply into our business and operation process.

Governance

We have formulated the *ESG Management Guidelines* and established a clear and well-defined ESG governance framework. Our Board, as the highest decision-making body for our ESG management, is responsible for reviewing and approving significant ESG matters, including strategies, targets, and key policies, overseeing the evaluation and analysis of ESG-related risks and opportunities, and evaluating the effectiveness of our ESG risk management and internal control systems. We have set up the Environmental, Social, and Governance Committee ("**ESG Committee**") as a dedicated supporting body to the Board. Our ESG Committee is responsible for reviewing material ESG issues related to our business and operations and providing decision-making recommendations, including on ESG strategies and targets, regularly monitoring ESG performance and progress against targets, and reporting to the Board of Directors at least semi-annually. Furthermore, we have established an ESG Working Group as the coordinating and executing body, responsible for implementing ESG-related risks identification, data collection, performance evaluation, and report preparation, ensuring the effective advancement of our ESG strategies and initiatives.

When reviewing material transactions, our Board incorporates ESG-related risks and opportunities into core considerations, requiring the provision of dedicated ESG assessment reports to evaluate the compliance of major transactions with respect to Environmental, Social, and Governance aspects. Our Board leverages relevant research reports to identify ESG-related risks and explore opportunities that can promote sustainable business development, ensuring that major decisions balance commercial value with sustainability principles. Our Board members, in fulfilling their duties in other companies or organisations, attend our Board meetings on schedule, actively review relevant materials to participate in decision-making effectively, and provide feedback on decisions through online communications, dedicated discussions, etc. Our Board of Directors places strong emphasis on lawful, ethical, and responsible business conduct, striving to integrate a compliance culture into our Company's governance framework. To strengthen compliance management, we have compiled a *Compliance and Anti-Corruption Risk Identification Checklist* covering the entire business chain, including finance, operations, and external partnerships, identifying potential compliance gaps and risk points across our operations. Our *Employee Handbook* clearly sets out codes of conduct for all employees, and related training on the *Employee Handbook* for new hires is provided to ensure that all employees understand behavioral boundaries and consciously comply with integrity requirements. We strive to integrate the compliance culture and requirements into daily business processes, continuously strengthening the compliance awareness and self-discipline capabilities among all employees, including directors and senior management. We will organize dedicated compliance training to equip all our employees with knowledges on compliance.

Strategy

We continuously monitor evolving ESG-related social trends and policies both domestically and internationally. Various ESG-related regulatory requirements are becoming increasingly stringent, and customers are placing growing emphasis on low-carbon products, supply chain management, etc. As a result, we may face additional costs in product development, low-carbon environmental protection, etc. For example, in our own operations, we may incur additional expenses for process improvement and management investment due to energy-saving, emission-reduction, and safety production requirements. To address the potential impacts of external environmental and policy changes, we have established a systematic risk management and response mechanism. Key performance indicators are set for critical issues to track progress against targets,

aiming to mitigate the impact of ESG-related risks on our business and operations, and regular reports are provided to our Board and management. For example, for 2023, 2024, 2025, and the four months ended April 30, 2026, we invested approximately RMB4.0 million, RMB8.8 million, RMB4.9 million, and RMB1.3 million, respectively, in environmental protection, representing 0.76%, 1.07%, 0.48%, and 0.36% of our revenue, respectively. During the Tracking Record Period, the resources invested in implementing related measures had no material impact on our financial performance.

Risk Management

We have gradually established an overall risk management framework to identify, assess, and monitor ESG-related risks that may affect our business operations. Our Board, as the highest decision-making body, assumes ultimate responsibility for the effectiveness of ESG risk management and internal controls. Our ESG Committee is dedicated to coordinating ESG-related matters, identifying the materiality of ESG issues, assessing and analyzing risks and opportunities of key issues, and regularly reporting progress and providing recommendations to our Board. To ensure the effectiveness of ESG-related risk management measures, we periodically conduct assessments, and the results are used to optimize risk management processes and adjust control measures, thereby continuously improving our overall risk management capabilities and ensuring our ability to address potential ESG-related risks. In our ESG risk management process, we identify potential material issues through internal and external research, stakeholder engagement, and regulatory requirements. During this process, we assess the actual and potential impact of these issues on our business operations, as well as their potential impact on the external environment and society, taking into account our operational characteristics, industry standards, and policy requirements. Our ESG Committee, based on assessment results and stakeholder concerns, determines the materiality of issues from the perspectives of risk likelihood and impact, and submits the findings to our Board for review. Our Board further confirms the priority and ranking of material issues to ensure that risk responses are aligned with our Company's strategic direction.

Where necessary, we use data to support quantitative analysis, such as greenhouse gas emissions per unit of revenue, energy consumption, supplier social responsibility compliance rates, and the number of safety incidents, to identify key areas of ESG risk management and guide business and functional departments in formulating corresponding response strategies and action plans.

Material Issues	Risks	Response Strategies
Response to Climate Change . . .	Climate-related physical risks: Extreme climate events, such as floods and heavy rainfall, may cause production interruptions, supply chain delays, or asset losses, which could affect order deliveries and operation efficiency.	We strengthen the disaster resilience of our production facilities, plan for energy storage stations, establish emergency response plans and insurance mechanisms, and regularly conduct emergency drills.
	Climate-related transition risks: If carbon emissions or energy efficiency regulations are further tightened, we may face increased pressure from higher equipment operating and retrofit costs.	We plan to vigorously promote the application of clean energy, waste heat recovery, energy efficiency upgrades, and energy-saving measures at our production sites.

Material Issues	Risks	Response Strategies
Supply Chain Management	If our suppliers fail to meet environmental or social responsibility standards, it could lead to supply chain disruptions, increased raw material costs, or delays in product delivery.	We establish an ESG auditing mechanism for suppliers, incorporating audit results into supplier admission and cooperation conditions, and regularly evaluate compliance.
Occupational Health and Safety .	If we experience a major safety incident, it could adversely impact production continuity and potentially trigger reputational risks and legal liabilities.	We continuously improve safety production policies, upgrade safety facilities, conduct regular emergency drills and training, and establish a key safety metrics monitoring system.

During the Tracking Record Period, we strictly complied with applicable ESG-related laws and regulations. No major violations of environmental, social, or governance-related laws and regulations occurred, nor have we been subjected to significant penalties due to such incidents. Although no major non-compliance events have occurred during the Track Record Period, we continue to optimize internal control processes, such as regularly upgrading pollutant treatment facilities, continuously improving supplier compliance management, and conducting safety production emergency drills to mitigate potential risks.

Metrics and Targets

In the management of ESG matters, we integrate quantitative data to support scientific decision-making and strategic planning. For example, in addressing climate change, in the year ended December 31, 2025, our greenhouse gas emissions (Scope 1 and Scope 2) per unit of revenue were 0.60 tCO_2e per RMB10,000. Compared to the average level of 0.36 tCO_2e per RMB10,000 among seven domestic and international semiconductor packaging and testing peers, this indicates that there is room for improvement in our greenhouse gas emissions performance compared to the industry average, and accordingly, we have set corresponding carbon reduction goals and initiatives. Our Yangzhou facility commenced operations in the second half of 2025. Given that ESG data may not yet be fully stable during the initial ramp-up phase, the relevant metrics will be systematically compiled and disclosed in 2026 ESG Report. Based on the analysis of environmental performance data from peers in the industry, we have evaluated our performance in addressing climate change and, accordingly, set greenhouse gas reduction targets: by 2030, our greenhouse gas emissions (Scope 1 and Scope 2) per unit of revenue will be reduced by 35% compared to 2024 levels. By tracking progress toward our targets and implementing measures, we aim to reduce potential carbon-related costs and policy risks, while strengthening the low-carbon competitiveness of our products.

Climate Change

We have established a top-down climate change governance framework to identify, assess, and monitor climate-related risks and opportunities that may affect our business. Our Board, as the highest decision-making body, assumes ultimate responsibility for climate change-related matters. Our ESG Committee is dedicated to coordinating climate change-related matters, assessing and determining climate-related risks and opportunities, guiding and reviewing climate change management policies and strategies, and regularly reviewing our performance against climate change targets, reporting progress, and providing improvement recommendations to our Board. We regularly identify and assess climate-related risks and opportunities that are closely related to our business operations, evaluating their current and anticipated impacts, and adjust our strategies and specific measures for adapting to and mitigating climate change accordingly. We continuously strengthen climate-related risk management, improving emergency plans and drills for flood risks

to enhance business continuity and resilience under extreme weather conditions. To advance our low-carbon transition and achieve our greenhouse gas reduction targets, we have implemented a series of measures, including but not limited to: (i) for all power equipment and utility facilities procured in 2025, we strictly select products that meet the national Tier-1 energy efficiency standard, reducing energy consumption during equipment operation; (ii) all newly purchased production forklifts and business-use vehicles are new energy vehicles; (iii) for employee dormitory residents, we have introduced dedicated shuttle bus services and optimized route planning, effectively lowering the frequency of private-vehicle commuting and reducing greenhouse gas emissions associated with employee mobility; and (iv) we have established a comprehensive energy-management accountability system to ensure the accuracy and transparency of our energy-consumption and greenhouse gas emissions data.

		Year ended December 31			Four months ended April 30
	Unit	2023	2024	2025	2026
Scope 1 greenhouse gas emissions	tCO_2e	336.24	721.38	1,021.73	1,231.63
Scope 2 greenhouse gas emissions – market-based	tCO_2e	37,891.48	52,777.38	59,346.69	20,507.75
Scope 3 greenhouse gas emissions[1]	tCO_2e	18,920.56	20,404.71	39,829.17	15,466.01
Total greenhouse gas emissions (Scope 1 and Scope 2)	tCO_2e	38,227.72	53,498.75	60,368.42	21,739.38
Greenhouse gas emissions (Scope 1 and Scope 2) per unit of revenue	tCO_2e/ RMB10,000	0.74	0.65	0.60	0.58

Emissions and Waste

We have set quantitative targets for waste. By 2030, our waste generation per unit of revenue is expected to be reduced to 8.40 kg per RMB10,000, representing a 25% reduction compared to 2024 levels. Additionally, we regularly monitor pollutant emission concentrations, aiming to ensure that emissions comply with relevant regulations and industry standards. In the future, we will consider setting pollutants reduction targets in the future. The emissions generated from our production operations mainly include water pollutants such as chemical oxygen demand, ammonia nitrogen, total nitrogen, total phosphorus, total copper, total nickel, and total silver; air pollutants such as non-methane total hydrocarbons, nitrogen oxides, sulfuric acid mist, isopropanol, and particulate matter; general solid waste such as waste targets, defective products, and waste semiconductor packaging materials; as well as hazardous waste such as organic waste liquids, waste mercury lamps, copper-containing bath liquids and sludge, and nickel-containing bath liquids and sludge. We comply with pollutant discharge standards such as the *Discharge Standards of Pollutants for Semiconductor Industry*, the *Integrated Wastewater Discharge Standard*, and the *Integrated Emission Standard of Air Pollutants*. To ensure compliance with pollutant discharge standards and proper waste disposal, we have established policies such as *Hazardous Waste Collection, Management and Disposal Operation Instructions*, *Wastewater, Waste Gas and Factory Boundary Noise Management Procedure*, *Waste Management Control Procedure,* etc. We have obtained ISO 14001:2015 Environmental Management System certification, and the management policies and procedures related to emissions have been verified.

Note 1: The Scope 1 greenhouse gas emission factors refer to the *China Energy Statistical Yearbook*; the Scope 2 greenhouse gas emission factor for 2022–2024 is based on the *Announcement on the Release of the 2022 CO_2 Emission Factors for Electricity*, while the factor for 2025 is based on the *Announcement on the Release of the 2023 CO_2 Emission Factors for Electricity*. Scope 3 greenhouse gas emissions, including purchased goods and services, capital goods, fuel and energy-related activities, upstream transportation and distribution, waste generated in operations, employee commuting, and upstream leased assets, are calculated in accordance with the *Greenhouse Gas Accounting System Corporate Value Chain (Scope3) Accounting and Reporting Standards*.

The pollution control measures we have adopted include, but are not limited to: (i) non-methane total hydrocarbons generated during the temporary storage of hazardous waste are captured through a gas collection pipeline, treated using an existing secondary activated carbon adsorption device, and then emitted through a 15-meter high exhaust stack; (ii) particulate matter generated in the wafer-level chip-scale packaging production line's printing process is treated using the equipment's built-in "precision filtration" system; (iii) kitchen grease is treated through a grease purification device before being discharged; (iv) rainwater and sewage are separated in the drainage system for specific projects; (v) nickel-containing wastewater and silver-containing wastewater undergo "coagulation precipitation + resin adsorption" pretreatment before entering the integrated wastewater treatment system, with the treated water being pH-adjusted and directed to the local wastewater treatment plant. Regarding waste disposal, we adhere to the principles of "reduction, resource utilization, and harmlessness treatment" and implement measures for the collection, disposal, and comprehensive utilization of various solid wastes, aiming to achieve zero discharge of solid waste. Our waste management practices encompass a wide range of measures, including but not limited to: (i) hazardous wastes, including organic waste liquids, spent mercury lamps, etc., are entrusted to qualified and licensed entities for safe and compliant disposal; (ii) general solid wastes are managed through professional service providers that undertake resource utilization or standardized treatment; (iii) we promote circular use of packaging materials by recovering and reusing a portion of wafer packaging boxes previously delivered to customers, while internally generated cardboard boxes are sorted and repurposed for in-house material handling; and (iv) we carry out continuous-improvement initiatives aimed at enhancing the yield rate of core product packaging processes.

		Year ended December 31			Four months ended April 30
	Unit	2023	2024	2025	2026
Domestic wastewater discharge volume	m^3	117,900.00	149,550.00	157,400.00	58,100.00
Industrial wastewater discharge volume	m^3	518,719.25	560,782.03	602,997.00	270,917.00
Non-hazardous waste generation	Tonnes	88.00	120.00	118.00	40.00
Hazardous waste generation	Tonnes	337.60	806.58	825.38	443.17
Non-hazardous waste per unit of revenue	Tonnes/ RMB10,000	0.002	0.001	0.001	0.001
Hazardous waste per unit of revenue	Tonnes/ RMB10,000	0.007	0.010	0.008	0.012

In 2023, we received two administrative penalties from the Nanjing Ecology and Environment Bureau for exceeding the chemical oxygen demand concentration and non-methane total hydrocarbons concentration. We paid a total fine of RMB205,000. The core cause of both pollutant exceedance incidents was the malfunction of our online wastewater and waste-gas monitoring equipment, which resulted in abnormal data readings rather than any actual exceedance of discharge concentrations by our Company. At the time of the incidents, the on-site equipment operation and maintenance personnel failed to promptly flag the abnormal data or investigate the root cause following equipment malfunction. By the time the malfunction exceeded the allowable response window, the abnormal data had become non-traceable and could on longer be corrected, thereby triggering regulatory inspections. Following the incidents, we immediately initiated comprehensive rectification measures. First, we engaged a qualified professional operation and maintenance team specializing in online monitoring systems to take full responsibility for routine inspections, calibration, maintenance, and emergency response. Second, we established an equipment-failure emergency plan and a data-verification mechanism that set clear requirements for response time, data handling, exception tagging, traceability, and correction. For 2023, 2024, 2025, and the four months ended April 30, 2026, our average chemical oxygen demand concentrations discharged were

70.31 mg/L, 55.43 mg/L, 20.49 mg/L, and 15.56 mg/L respectively, all below the discharge limit of 300 mg/L; our average non-methane total hydrocarbons concentrations discharged were 11.45 mg/m^3, 10.42 mg/m^3, 8.43 mg/m^3, and 7.80 mg/m^3 respectively, all below the emission limit of 50 mg/m^3. The regulatory records of both incidents have since been formally revoked following independent third-party environmental audits. Since the occurrence of these two incidents, we have not experienced any further data-monitoring anomalies or compliance violations.

Use of Resources

We have set quantitative targets for energy consumption. By 2030, our energy consumption per unit of revenue is expected to be reduced to 0.85 MWh per RMB10,000, representing a 25% reduction compared to 2024 levels. Our energy consumption primarily consists of electricity and natural gas. We have established a three-tier energy management system covering "production workshop — production line — equipment", developed medium- and long-term energy development plans, energy consumption indicators, and assessment targets. We have obtained ISO 50001:2018 Energy Management System certification, which covers energy management activities involved in the design and production processes of semiconductor manufacturing wet-processing equipment.

To improve energy efficiency, our energy-saving initiatives include, but are not limited to: (i) we dynamically adjust the operating parameters of vacuum pumps based on real production conditions and replace two low-pumping-speed units with a single high-pumping-speed unit, reducing the operating power of each unit by 20 kW and saving approximately 86,000 kWh of electricity per year; (ii) we have introduced an AI-enabled energy analytics system that identifies the optimal operating mode for the air conditioning and heating system through real-time data comparison, and then integrated these insights with our intelligent energy-management platform for automated control, which can reduce annual energy consumption by approximately 12 million kWh after optimization; (iii) we have installed heat-recovery devices on chillers and centrifugal air compressors to capture residual heat, which is then reused in the hot-water systems serving the air conditioning and heating systems in office and production areas, which can reduce natural gas consumption by approximately 200,000 cubic meters per year; (iv) we strictly enforce air-conditioning usage protocols in office and dormitory buildings, to prevent unnecessary energy consumption; (v) we are planning to expand our on-site photovoltaic power stations and energy-storage facilities to increase the share of clean energy in our energy mix.

We have set quantitative targets for water resource utilization. By 2030, our water consumption per unit of revenue is expected to be reduced to 13.72 tonnes per RMB10,000, representing a 25% reduction compared to 2024 levels. Additionally, we have set a target for annual water resource recycling rate to reach 10%. Our water usage mainly relies on municipal water supply. To further improve water resource utilization, the water-saving measures we have implemented include, but are not limited to: (i) we have established a closed-loop "wastewater treatment and reuse" system, whereby wastewater generated from grinding and slicing processes is purified through ultrafiltration and reverse-osmosis systems and then used for cooling dry pumps in workshops and flushing toilets in office buildings. In 2024, we saved a total of 200,000 tons of tap water through this system. (ii) we conduct regular water-conservation awareness campaigns, to reinforce water-saving practices among all employees; and (iii) our facilities management team performs monthly inspections of all water-use equipment across the plant, focusing on pipes, valves, and other potential leakage points. Through the implementation of these measures, we have significantly enhanced water-use efficiency across our operations and have successfully obtained the Water-Saving Enterprise certification of Nanjing.

	Unit	Year ended December 31			Four months ended April 30
		2023	2024	2025	2026
Total energy consumption	MWh	66,232.98	93,402.67	101,995.41	39,236.88
Energy consumption per unit of revenue	MWh/ RMB10,000	1.28	1.13	1.01	1.05
– Natural gas	m^3	154,520.00	331,516.00	469,545.00	566,008.00
– Electricity	MWh	64,705.40	90,125.30	97,353.49	33,641.32
Water consumption	m^3	938,948.00	1,513,299.00	1,700,927.00	592,390.00
Water consumption per unit of revenue	m^3/ RMB10,000	18.09	18.29	16.79	15.92

Employment and Labor Standards

We value the compliance of employment and have established internal policies such as the *Policy of Recruitment Management*, the *Policy of Compensation and Benefits Management*, and the *Employee Handbook*, clearly defining employment procedures, rights protection, and labor discipline. Through regular training and awareness programs, we ensure the effective implementation of these policies. Our workforce includes full-time permanent employees and dispatched labours. We strictly comply with labor laws and regulations, with clear provisions in our policies prohibiting child labor and forced labor. During recruitment, we rigorously verify identities to prevent the employment of underage individuals, respect employees' right to freely choose their occupation, ensure work arrangements are based on labor contracts. We place strong emphasis on the effective management of employees' working hours and have established tailored working hours systems for different roles to safeguard employees' rights and promote a healthy work-life balance. For positions such as production and quality operators, shift engineers, and shift technicians, we adopt a comprehensive working hours system. In alignment with applicable labor regulations, we maintain a rigorous and well-defined process for the application and approval of work system permits, ensuring that all working arrangements are implemented in a lawful, compliant, and responsible manner. As of December 31, 2023, 2024, 2025, and as of April 30, 2026, our total number of employees was 1,932, 2,230, 2,554, and 2,772 respectively, of which 1,341, 1,583, 1,753 and 1,913 were male, and 591, 647, 801 and 859 were female. The number of management employees was 80, 93, 103, and 102 respectively.

Health and Safety

Our occupational health strategy aims for "zero injuries, zero accidents" and strives to build a fundamentally safe, healthy, and civilised enterprise. In terms of management systems, we have established health and safety management systems, such as the *Safety Production Target Management System*, *Safety Production Responsibility System*, and *Safety Production Input and Guarantee System*, providing solid institutional support for occupational health and safety management. We have obtained ISO 45001:2018 Occupational Health and Safety Management System certification and operate management based on this system. The occupational health management measures we have implemented include, but are not limited to: (i) focusing on risk and hazard control, conducting hazard source identification, classifying and controlling hazards, and implementing corresponding control; (ii) organizing health examinations for employees to protect their health and safety; (iii) developing emergency rescue plans and emergency procedures, and regularly conducting emergency drills related to occupational health and safety; (iv) establishing the *Accident Management System*, which clearly defines reporting, handling, investigation, and treatment of accidents, providing work injury insurance for each employee, and in the event of work-related injuries, handling them in accordance with the *Work Injury Recognition and Labor Capacity Assessment System*. As of December 31, 2023, 2024, 2025, and as of April 30, 2026, our number of work-related fatalities was zero, and the number of lost workdays due to work-related injuries was 258, 202, 710[1], and 60 days, respectively.

Note 1: All work-related injuries resulted from traffic accidents occurring during employees' commuting to and from work. We actively supported the work-related injury determination process, provided care and assistance to affected employees, and regularly conducted safety reminders and awareness initiatives to strengthen employees' safety awareness.

Development and Training

We have established a clear management framework for employee career development and training. At the same time, we have developed the *Training Management System*, which comprehensively ensures the implementation from procedure standards to responsibility allocation. Regarding employee training, we offer a variety of training methods and resources to provide training in areas such as corporate culture, rules and regulations, production processes and quality requirements, product introduction, job operation skills, professional knowledge, talent development, etc. Regarding employee career advancement and performance appraisal, we offer employees dual development paths, including management and professional technical tracks, to meet the growth needs of different employees. We conduct annual employee performance evaluations, which comprehensively assess goal completion, job competency, and team collaboration performance. For 2023, 2024, 2025, and the four months ended April 30, 2026, our average training hours per employee were 160.36, 168.04, 151.81, and 66.50 hours, respectively. By gender, the average training hours were 163.16, 167.32, 155.68 and 65.53 for male employees, and 154.27, 169.82, 143.34 and 68.65 for female employees. By employee category, the average training hours were 43.70, 46.86, 47.17 and 14.08 for management employees, and 166.28, 173.85, 156.20 and 100.52 for front-line employees.

Supply Chain Management

We have developed the *Guidelines of Supplier Management* to standardize the entire procurement process. We have obtained certification from the Responsible Business Alliance, meaning that our supply chain management meets internationally recognized standards for labor rights, environmental protection, business ethics, etc. When introducing new suppliers, we require them to provide documents such as hazardous substance investigation forms, chemical registration, assessment, authorization, and restriction investigation forms, and relevant environmental management surveys from stakeholders. When selecting suppliers, we incorporate environmental performance into the admission criteria, prioritising eco-friendly suppliers and guiding them to use environmentally friendly products and services. After passing the review, suppliers must sign a social responsibility guarantee and anti-corruption agreement before being included in the cooperation system, ensuring that suppliers adhere to the principles of integrity and fulfill social responsibilities when working with us. We will require our suppliers to continually meet basic requirements such as environmental protection, labor compliance, business ethics, etc. During the cooperation process, suppliers who do not perform to meet the requirements will be required to make rectifications, and in the event of serious violations or ineffective rectifications, they will be disqualified as suppliers. For 2023, 2024, 2025, and the four months ended April 30, 2026, we had a total of 525, 517, 503, and 380 suppliers, respectively, of which 480, 474, 462 and 362 were located in the PRC, and 45, 43, 41 and 18 were located in Hong Kong, Macau, Taiwan, China and overseas.

Product Responsibility

Product Quality and Safety

In terms of quality management policies and systems, we have obtained IATF 16949: 2016 Automotive Industry Quality Management System certification and ISO 9001: 2015 Quality Management System certification to ensure standardized and regulated quality management. We require all employees to undergo quality awareness training, covering topics such as quality definitions, quality control systems, total quality management, and zero-defect principles. We strictly follow inspection documents for each process to carry out product quality checks. Inspection abnormalities trigger the Out-of-Control Action Plan for abnormal handling, which can only be closed after corrective actions are confirmed by the Quality Assurance (QA) system. The entire production process relies on the inspection system to control, ensuring that uninspected products cannot pass. The Company has an integrated quality management system, achieving systematised quality management and improving efficiency and accuracy. We have established a

clear product recall process. First, the QA confirms return authorization requirements and return lists with the customer, and the production line verifies the actual products against the list. The QA then convenes a meeting to determine the rework plan and aligns with the customer on the handling solution. After customer approval, rework and inspection are carried out. The QA reviews the rework results, and if the product is qualified, it is either stored or shipped according to the customer's requirements, while nonconforming products are scrapped, ensuring efficient and standardized process. For 2023, 2024, 2025, and the four months ended April 30, 2026, no product recall events that had a material adverse effect on our business occurred.

Customer Service and Privacy Protection

In customer relationship management, we have established a *Customer Satisfaction Survey Policy*, conducting annual surveys on customer satisfaction. Based on the survey results, the QA assigns the corrective actions to relevant departments and monitors the implementation to ensure effective rectification.

We have formulated an *Information Confidentiality Policy*, with clear provisions on confidentiality levels, content, responsibility allocation, and penalties. To protect the information security of both our Company and customers, we sign mutual confidentiality agreements with our customers, requiring both parties to keep project details, designs, parameters, etc., strictly confidential to prevent information leakage.

We have established fair trade, advertising, and competition management programs. All external promotions are subject to internal procedure controls, such as requiring approval for publicity materials and government information releases. When promoting or introducing products to the market, we ensure truthful representation without exaggeration, thus maintaining a fair competitive market environment.

Anti-corruption

We place great emphasis on building a compliance system and have developed the *Policy of Anti-bribery Management*, which was revised in 2024, to clearly define management responsibilities and implementation standards to eliminate conflicts of interest, false operations, and other unethical practices. We have set up an annual internal audit plan. Any issues discovered are promptly followed up for rectification to ensure stable operations.

We have built a comprehensive ethics training system. New employees must attend ethics training during their onboarding process, learning about professional ethics, integrity requirements, and developing compliance awareness. Based on business characteristics, we have designated the procurement and business departments as key anti-corruption departments and conducted dedicated integrity training. In the future, all employees in procurement and business departments will be required to sign an integrity commitment.

To ensure fairness and transparency in anti-corruption efforts, we have established a clear whistleblowing system and protection mechanisms for whistleblowers, encouraging employees to participate in internal supervision. We have set up email accounts for the chairman of the Board and the general manager of our Company to allow employees to provide whistleblowing information. At the same time, we strictly protect the confidentiality of whistleblower information and prohibit retaliation, ensuring the safety of whistleblowers. For 2023, 2024, 2025, and the four months ended April 30, 2026, neither we nor our employees were involved in any corruption-related lawsuits that were filed and concluded.

Community Investment

We actively fulfill our social responsibility by making periodic donations to the Red Cross and organizing employee volunteer services, as well as conducting community support activities in surrounding areas. We irregularly communicate with the local Human Resources and Social Security Bureau to ensure timely alignment with community needs, promote positive interaction with the community, and contribute to community development.

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

During the Track Record Period and up to the Latest Practicable Date, save as disclosed below, we had not been and were not a party to any material legal, arbitral or administrative proceedings, and we were not aware of any pending or threatened legal, arbitral or administrative proceedings against us or any of our Directors, which, in the opinion of our Directors, could have a material adverse effect on our business financial condition or results of operations.

As of the Latest Practicable Date, we were involved in a contractual dispute which, in the opinion of our Directors, would not have a material adverse effect on our business, financial condition or results of operations. Details of the dispute are set out below.

On July 31, 2024, we entered into an energy management contract (the "**Energy Management Contract**") with Nanjing Dongwang Changli Energy Storage Technology Co., Ltd. (南京東網長理儲能科技有限公司) ("**Dongwang Changli**"), an Independent Third Party, under which Dongwang Changli would invest in, construct and operate a distributed energy storage power station at our premises. Following a dispute over whether we should bear a high-reliability power supply fee of approximately RMB1.1 million requested by the power supply company for capacity expansion, we notified Dongwang Changli of the termination of the Energy Management Contract on January 4, 2026. On March 25, 2026, Dongwang Changli filed a lawsuit against us with the People's Court of Pukou District, Nanjing, Jiangsu Province (the "**Pukou Court**"), seeking, among other things, confirmation of the termination of the Energy Management Contract and liquidated damages of approximately RMB12.5 million (the "**Litigation**"). The liquidated damages claimed by Dongwang Changli did not include the high-reliability power supply fee referred to above. On April 8, 2026, certain of our bank accounts were frozen as a property preservation measure in connection with the Litigation. On April 20, 2026, we paid a cash security deposit of approximately RMB12.5 million to the Pukou Court, following which the freezing of our relevant bank accounts was released. Such deposit is refundable upon conclusion of the second-instance proceedings.

In June 2026, the Pukou Court handed down its first-instance judgment, which confirmed that the Energy Management Contract was terminated on January 8, 2026 and dismissed all other claims of Dongwang Changli, including its claim for liquidated damages. In July 2026, Dongwang Changli lodged an appeal with the Intermediate People's Court of Nanjing, Jiangsu Province, which is scheduled to be heard on October 28, 2026. As of October 29, 2026, the court had not yet handed down its judgment.

The amount in dispute of approximately RMB12.5 million represented approximately 0.30% of our total assets of RMB4,107.8 million as of April 30, 2026. As advised by our litigation counsel Jiangsu Junbo Law Firm ("**PRC Litigation Legal Advisor**"), the appeal raises no new facts, legal basis or evidence, and the first-instance judgment is expected to be upheld. Our Directors believe that the Company has a valid defence against the allegation and accordingly we have not made any provision in respect of the Litigation, other than the related legal and other costs. Taking into account the above, our Directors are of the view that the Litigation would not have a material adverse effect on our business, financial condition or results of operations.

The Sole Sponsor conducted independent due diligence in relation to the Litigation, including, among other things, (i) reviewing the agreement between the Company and Dongwang Changli and discussing with the Company to understand the business cooperation between the Company and Dongwang Changli; (ii) reviewing the first-instance judgment and relevant court documents concerning the Litigation; (iii) reviewing the litigation status statement issued by the Company's litigation counsel, including its assessment of the pending appeal; and (iv) reviewing the legal opinion prepared by the PRC Legal Adviser and discussing with it the basis for its assessment of the Litigation and its potential impact on the Company. Based on the due diligence conducted, nothing has come to the Sole Sponsor's attention that would cause it to cast doubt on the Directors' view that the Litigation would not have a material adverse effect on the Company's business, financial condition or results of operations.

Patent Disputes

As of the Latest Practicable Date, we were involved in one patent dispute involving seven IP cases ("**IP Cases**") in respect of seven disputed patents, namely, (i) CN202111358610.5; (ii) CN202123125358.1; (iii) CN202123218365.6; (iv) CN202123170489.1; (v) CN202111477825.9; (vi) CN202122270511.3; and (vii) CN202122822174.4 ("**Disputed Patents**"). For detailed information about our material intellectual property, see "Statutory and General Information — Further Information about our Business — Intellectual Property Rights" in Appendix VI to this prospectus. The IP Cases were filed by Jiangyin Changdian Advanced Packaging Co., Ltd. (江陰長電先進封裝有限公司) (the "**Plaintiff**") by the Plaintiff's claim dated May 25, 2026. The Plaintiff claims ownership of the Disputed Patents, alleging that the relevant inventions were made by our employees, who worked for the Plaintiff or its affiliates, within one year after leaving their employment, related to their former duties or assigned tasks, and belonged to the Plaintiff under the relevant intellectual property ownership arrangements. The Plaintiff also seeks reimbursement of expenses incurred in protecting its rights and litigation costs. As advised by the PRC IP Legal Advisor, the risk of losing the IP Cases by us is low, having regard to, among other things: (i) taking into account the corrected inventor information, the relevant inventors who had previously worked for the Plaintiff or its affiliates had left such entities more than one year before the relevant patent filing dates; (ii) relevant court judgments indicating that, in the absence of contrary evidence, the filing date may be treated as the date of completion of an invention; and (iii) the differences between the relevant inventions and the inventors' former duties or assigned tasks, as well as the insufficiency of the Plaintiff's evidence to establish its ownership claims. In the event that the IP Cases are determined not in favor of the Company, the consequences would likely be the transfer of the Disputed Patents, reimbursement of approximately RMB700,000 and litigation costs to the plaintiff. None of the seven Disputed Patents was used in our products or production processes during the Track Record Period and up to the Latest Practicable Date, and accordingly no revenue of the Group was generated from the Disputed Patents. As of the Latest Practicable Date, the IP Cases were pending to be determined by the applicable courts in the PRC. Our Directors, after considering the above and advice of the PRC IP Legal Advisor, are of the view that the IP Cases would not have a material adverse effect on our business, financial condition or results of operation. The Sole Sponsor conducted independent due diligence in relation to the IP Cases, including, among other things, (i) reviewing the legal opinion prepared by the PRC IP Legal Adviser and discussing with it the basis for its assessment of the IP Cases; (ii) discussing with the inventors of the Disputed Patents on the purpose of the relevant inventions and their involvement in the invention of the Disputed Patents; (iii) reviewing the patent application documents. Based on the due diligence conducted, nothing has come to the Sole Sponsor's attention that would cause it to cast doubt on the Directors' view that the IP Cases would not have a material adverse effect on the Company's business, financial condition or results of operations.

Non-Compliance

Our Directors confirmed that we had complied with all relevant laws and regulations in the PRC in all material respects, during the Track Record Period and up to the Latest Practicable Date. See "— Employees" and "— Properties" in this section for details of certain of our compliance matters.

RISK MANAGEMENT AND INTERNAL CONTROL

We have adopted and implemented comprehensive risk management policies in various aspects of our business operations, such as financial reporting and compliance. Our Board of Directors and our general manager are responsible for the establishment, updating and implementation of our internal control policies and systems, the Document Control Center (DCC) technical committee is responsible for review and evaluation, while our management team monitors the daily implementation of the internal control procedures and measures with respect to our functional teams. We have adopted or will continue to adopt, among other things, the following measures: (a) adopt various policies to ensure compliance with the Listing Rules, including but not limited to, aspects related to risk management, connected transactions and information disclosure; (b) maintain and keep up-to-date a related parties list to keep track of all the relevant parties of the Group and the upper limit for each connected transaction, as well as annually review the list for proper disclosure; and (c) adopt various policies and procedures regarding insider trading, reporting of misconduct, independence and conflict of interest, anti-money laundering and a whistleblowing and anti-fraud measures within the Group. Based on the above, our Directors are of the view that we have taken reasonable steps to establish an internal control system and procedures that are adequate and effective to manage the risks we are exposed to in our business operations.

Financial reporting risk management

We have various procedures in place to implement accounting policies, and our financial team reviews our management accounts based on such procedures. We also provide trainings to our members of finance department to ensure that they understand our financial management and accounting policies and implement them in our daily operations.

Compliance risk management

We have adopted internal procedures to ensure the compliance of our business operations with the applicable rules and regulations. Our in-house legal team performs the function of reviewing and updating the form of contracts we enter into with our customers, partners, and suppliers. Our legal team examines licenses and permits obtained by the counterparties to perform their obligations of business contracts and the necessary underlying due diligence materials, before we enter into any contract or business arrangements. Our in-house legal team is responsible for obtaining any requisite governmental pre-approvals or consents. We continuously improve our internal policies according to changes in laws, regulations and industry standards, and update internal templates for legal documents. We continually review the implementation of our risk management policies and measures to ensure our policies and implementation are effective and sufficient.

PATH TO PROFITABILITY

Since our inception in 2020, we placed great emphasis on long-term sustainable growth driven by technological advancements and mass production progress. We made substantial strategic investments in the R&D of proprietary technologies, recruitment of specialist personnel, manufacturing of products and upgrade of production facilities. Leveraging our strategic investments, we built a comprehensive product portfolio, encompassing QFN, BGA, LGA, WLP and 2.5/3D products.

Analysis on Historical Losses

In the semiconductor packaging industry, companies that adopt the OSAT model typically experience a common industry cycle, which involves incurring upfront capital expenditures and R&D expenses, along with an increase in production capacities. Consequently, we inevitably faced certain amount of upfront losses. Specifically, our operational losses during the Track Record Period were primarily due to the combined effect of: (i) the substantial depreciation and amortisation expenses arising from our front-loaded investments in production facilities and equipment; (ii) the under-utilisation of production facilities, which resulted in fixed production costs being allocated over a lower production volume; (iii) pricing pressure arising from market competition and customer negotiations; (iv) changes in the sales contribution of products with different gross margin profiles; and (v) incremental costs incurred during the ramp-up of new production facilities and products. For details of net loss, accumulated losses, gross losses, adjusted net loss (non-IFRS measure) and net current liabilities, please see "Financial Information".

The OSAT industry is capital-intensive in nature and generally requires substantial upfront capital investment before the relevant production facilities can generate revenue at a commercially sustainable scale. Our historical gross losses and gross loss margins were significantly attributable to the substantial depreciation and amortization expenses and other fixed production costs arising from our front-loaded capital expenditure for the establishment and expansion of our production facilities, which were in the ramp-up stage during the Track Record Period. From our establishment in 2020 to April 30, 2026, we incurred aggregate initial capital expenditure of approximately RMB4,063.3 million, principally in connection with the establishment and expansion of our production facilities and production capabilities. According to Frost & Sullivan, a comparable OSAT company or newly established OSAT production facility typically requires initial capital expenditure of approximately RMB2,000 million to RMB5,000 million. Such investment is generally incurred before customer qualification and validation and commercial-scale production, as the relevant production facilities and equipment are required to be installed and commissioned before customer qualification and validation, trial production and production ramp-up can be conducted. Our customer qualification and validation, trial production and production ramp-up generally take approximately three to nine months, two to three months and two to four years, respectively, compared with approximately three to eighteen months, two to eight months and two to five years, respectively, typically required by comparable OSAT companies or newly established OSAT production facilities according to Frost & Sullivan. According to Frost & Sullivan, comparable OSAT companies or newly established OSAT production facilities typically achieve gross profit breakeven within approximately three to nine years, net profit breakeven within approximately four to ten years and recover their initial capital investment within approximately nine to fifteen years from their establishment or initial investment, and the nature and magnitude of our initial capital expenditure and our expected qualification and validation, trial production, production ramp-up, breakeven and investment payback timetable are in line with the industry norms.

We believe our robust R&D pipeline, scalable production capabilities, comprehensive product portfolio as well as mass production capabilities have laid a solid foundation for our business sustainability and long-term development. In particular, we expect that our profitability will be enhanced in the future, primarily attributable to: (i) increase in revenue; (ii) gross margin improvement; and (iii) control of operating expenses by enhancing operational efficiency.

A. INCREASING REVENUE

(i) Growth with semiconductor packaging industry

According to Frost & Sullivan, the global semiconductor packaging and testing market increased from RMB495.6 billion to RMB804.8 billion with a CAGR of 10.2% from 2020 to 2025. During this period, the PRC market achieved a market size of RMB314.4 billion in 2025, with a CAGR of 12.4% from 2020 to 2025. Looking ahead, the global semiconductor market is expected to grow to RMB1,383.1 billion by 2030 with a global CAGR of 11.4% from 2025 to 2030. The PRC market is projected to maintain strong growth momentum and will reach RMB598.2 billion by 2030 with a CAGR of 13.7% from 2025 to 2030. According to Frost & Sullivan, the market scale of advanced semiconductor packaging and testing industry increased from RMB214.1 billion in 2020 to RMB396.7 billion in 2025, with a CAGR of 13.1%. It is projected that in 2026, the global advanced packaging and testing market will account for more than 50% of the overall packaging and testing market for the first time, surpassing traditional packaging. By 2030, the global advanced packaging market scale is expected to reach RMB790.3 billion, with a CAGR of 14.8% from 2025 to 2030. The market size of advanced packaging and testing in the PRC increased to RMB126.2 billion in 2025, with a CAGR of 16.6% from 2020 to 2025. It is projected that by 2030, the relevant market scale will further grow to RMB298.5 billion, with a CAGR of 18.8% from 2025 to 2030. Since our inception, we have been dedicated to building our mass production capability and making investment in the R&D for our core technology as a foundation to capture the opportunities in the booming advanced packaging industry. Our revenue increased from RMB509.1 million in 2023 to RMB1,012.2 million in 2025, with a CAGR of 41.0%.

(ii) Solidifying with existing customers

In response to the strong demand for traditional and advanced packaging, we intend to acquire more customers in the industry, as well as increase the penetration rate of traditional and advanced packaging products, we plan to (a) strengthen our cooperation with existing customers while actively acquiring new customers in the PRC and Taiwan, China to support continued revenue growth, and (b) increase our production capacity, proactively planning and expanding to seize market opportunities in downstream sectors.

(iii) Continuing to source new customers

We secured high-profile customers during the Track Record Period, including Customer Group G, a subsidiaries of a company listed on the Shenzhen Stock Exchange, which is primarily engaged in the design and development of microprocessor chips, intelligent video processors and memory products. Revenue generated from Customer Group G amounted to approximately RMB0.1 million, RMB0.9 million and RMB5.9 million in 2024, 2025 and the four months ended April 30, 2026, respectively, representing approximately 0.01%, 0.1% and 1.6% of our total revenue for the respective periods; Customer H, a subsidiary of a company listed on Shenzhen Stock Exchange and focuses on integrated circuit design, information technology services and related patent development. Revenue generated from Customer H amounted to approximately RMB8.9 million, RMB25.2 million, RMB29.2 million and RMB11.9 million in 2023, 2024, 2025 and the four months ended April 30, 2026, respectively, representing approximately 1.7%, 3.0%, 2.9% and 3.3% of our total revenue for the respective periods; and, in particular, Customer Q that engages its business in the optical module sector, which became our customer in November 2025 and generated revenue of approximately RMB1.3 million for the four months ended April 30, 2026, representing approximately 0.4% of our total revenue for the same period, and has recently entered into a framework agreement with us to procure our services, including production of bumping, together with mainly engineering qualification services for 2.5D packaging, and 2.5D packaging, with considerable service fees for the two years ended December 31, 2027 subject to purchase orders; and we do not expect such purchase orders to have material adverse effect on our gross margin. The Company believes that the project with Customer Q can be fulfilled, considering that: (a) according to Frost and Sullivan, there are around 10 service providers that can provide 2.5D packaging for

Customer Q's product in the PRC, among which the Company is one of them. This constrained supplier pool creates a market position favorable to the Company; (b) the Company's technical qualification as one of the few 2.5D solution providers in the PRC demonstrates it has already overcome core technical barriers. This technical readiness forms the foundational prerequisite to ramp up production capacity and scale 2.5D packaging business to fulfill such purchase order; (c) the cooperation with Customer Q proceeds smoothly with ongoing validation of packaging processes and samples, as the overall project is progressing on plan. Since the commencement of the project, we have resolved multiple technical challenges, passed technical qualification and achieved mass production readiness for production processes applied to Customer Q's products, with both yield performance and delivery lead-time having met Customer Q's requirements. In respect of 2.5D packaging, we have completed internal technical validation (Stage 1) and, in the first quarter of 2026, completed the reliability validation of mechanical samples as part of the customer product validation (Stage 2), and preliminary open-short, warpage and dicing quality tests for the relevant samples have passed relevant verification. The product validation in respect of functional samples is currently in progress. In August 2026, Customer Q supplied production wafers covering a number of functional products, on the basis of which we commenced production under its engineering purchase order, and we expect to deliver functional samples to Customer Q by the end of October 2026 for its subsequent board-level testing and related validation. In parallel, we purchased equipment in August 2026 to prepare for mass production of the relevant 2.5D packaging business, and target to commence small-batch production (Stage 3) in the first quarter of 2027. We have also completed the fabrication of pre-production samples for Customer Q's next-generation products, and held technical exchanges with Customer Q and its end customer; (d) Furthermore, as confirmed by Frost & Sullivan, switching OSAT suppliers for fabless semiconductor companies typically involves process transfer, testing and validation, reliability qualification and customer requalification. Depending on factors such as product type, packaging complexity, reliability requirements and customer qualification requirements, the switching cost can range from several million to tens of millions of RMB, with the transition typically taking 6 to 18 months. In particular, given the relatively limited number of service providers capable of providing 2.5D packaging for Customer Q's product in the PRC and the substantial time and costs associated with supplier qualification and switching, we believe that Customer Q would have limited incentive to switch to another supplier and there is a high degree of certainty as to our cooperation with Customer Q. Moreover, our revenue growth is supported by the expansion of customer collaborations in traditional and advanced packaging, as we have strengthened R&D and production capabilities of packaging for GPUs, optical modules, and high-end AI power management chips since 2025. For details, see "Business — Our Strengths — Providing End-to-End Technical Capabilities Powered by New Technology".

(iv) Demonstrating stickiness of existing customers with high client retention rate

The relationships we cultivate with our customers also foster loyalty, resulting in repeat business and referrals that further expand our reach. For the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2026, we generated revenue from 127, 133, 161 and 121 customers, respectively. For the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2026, our customer retention rates, which is calculated based on the percentage of customers for the immediately preceding year which remained to be our customers contributing revenue for the following year, divided by the total number of customers at the beginning of the year who had contributed revenue to us in the immediate preceding year, were approximately 77.4%, 79.5%, 79.0% and 64.6%, respectively, representing 96, 101, 105 and 104 retained customers for the same period.

	For the year ended December 31,			For the four months ended April 30,
	2023	2024	2025	2026
Number of customers (opening balance)	124	127	133	161
Addition [(1)]	31	32	56	17
Deduction [(2)]	28	26	28	57[(4)]
Number of customers (ending balance) [(3)]	127	133	161	121
Customer Retention rate	77.4%	79.5%	79.0%	64.6%[(4)]

Notes:

(1) Addition refers to the number of new customers and returned customers who had revenue contributions in the current year and with transaction history, but not in the previous year.

(2) Deduction refers to number of customers who had revenue contributions in the previous year, but not in the current year.

(3) Customer retention rate refers to the percentage of customers for the preceding year which remained to have revenue contributions for the current year.

(4) The higher number of deductions of 57 for the four months ended April 30, 2026 should be considered in light of the following three factors:

(i) The customer retention rates for 2023, 2024 and 2025 were calculated based on full-year revenue contributions, whereas the customer retention rate for the four months ended April 30, 2026 was calculated based on revenue contributions during the first four months only. Accordingly, the customer retention rate and the number of deductions for the four months ended April 30, 2026 are not directly comparable with those for the full years.

(ii) The 57 customers classified as deductions for the four months ended April 30, 2026 had not generated revenue during the first four months of 2026, but may still place orders and contribute revenue during the remaining eight months of 2026. In fact, 13 of these 57 customers generated revenue during May to September 2026, demonstrating that deductions do not necessarily indicate the loss of such customers or the termination of customer relationships. As of September 30, 2026, the number of deductions had decreased to 44, with the customer retention rate increasing to 72.7%, indicating that there was no material downward trend in our customer retention rate.

(iii) The customers classified as deductions for the four months ended April 30, 2026 collectively contributed less than 0.8% of our Group's total revenue in 2025. In view of their relatively limited revenue contributions and our Group's available production capacity, we placed greater emphasis on orders from customers with larger order volumes in 2026, with a view to optimizing production resource allocation and operational efficiency. As a result, our Group reduced the involvement in orders from certain customers with relatively limited revenue contributions. Accordingly, the higher number of deductions also partly reflects our Group's efforts to optimize its customer portfolio and production resource allocation.

In view of the above, our Group does not expect a continuing downward trend in our customer retention rate or an increasing trend in the number of deduction customers, taking into account the shorter reporting period, the timing of customer orders and our Group's prioritization of customers with larger order volumes. Nevertheless, we will continue to strengthen our relationships with existing customers, enhance customer engagement, expand collaborations with existing customers and actively develop new customers, with a view to mitigating any potential adverse impact of changes in customer retention on its future revenue growth.

	For the year ended December 31,			For the four months ended April 30,
	2023	2024	2025	2026
Net dollar retention rate [(1)]	183.9%	162.7%	121.9%	113.9%

Note:

(1) Calculated by dividing the revenue of a current period from customers of both current and previous periods by the revenue of the previous period of such customers, multiplied by 100%.

Our net dollar retention rate decreased from 183.9% in 2023 to 162.7% in 2024 and further to 121.9% in 2025, and was 113.9% for the four months ended April 30, 2026. Such decrease was primarily attributable to (i) the increase in the revenue base of our retained customers over time, which moderated the percentage growth in their revenue contribution; and (ii) the continued expansion of our customer base, whereby an increasing portion of our incremental revenue was contributed by newly acquired customers rather than retained customers. Notwithstanding the decrease in our net dollar retention rate, it remained above 100% throughout the Track Record Period, indicating that the aggregate revenue contribution from our retained customers continued to increase.

Based on the historical data, we have demonstrated a consistent ability to expand our customer base year after year. This steady upward trajectory reflects not only successful new client acquisition but also a high client retention rate, which underscores our ability to maintain long-term relationships while simultaneously broadening our market reach. During the Track Record Period and up to the Latest Practicable Date, we did not have any material disputes with any of our customers, including those customers who had revenue contributions in the previous year but not in the current year.

(v) Increasing production capacity to capture increasing market opportunities

We plan to increase our production capacity in response to the significant growth in the packaging markets and the increasing penetration of our packaging products. We expect to incur additional capital expenditure to cater for the increase in production capacity. As of April 30, 2026, we had capital commitments related to property, plant and equipment of RMB597.3 million. We also plan to use net proceeds from the Global Offering to purchase and upgrade facilities and equipment for the expansion of production lines at our production bases. Taking into account of our market share of approximately 0.6% in 2025 in terms of sales revenue of advanced packaging product among General-Purpose OSAT Companies in the PRC according to Frost & Sullivan, we consider such opportunities to be promising to support an expansion in production capacity in order to allow future business growth, which is supported by the considerable increase in sales of packaging products during the Track Record Period.

For the year ended December 31, 2025, the Nanjing production base had a designed production capacity of approximately 6,410 million units, with actual production volume of 5,416 million units, representing a utilization rate of about 84.5%. The Nanjing production base is undergoing continuous upgrades to enhance efficiency and output. Moreover, Yangzhou production base commenced operations in July 2025 and remained in the production ramp-up stage. The below table sets out the expected designed production capacity of the Nanjing production base and Yangzhou production base:

	For the year ending December 31		
	2026	2027	2028
	Designed production capacity	Designed production capacity	Designed production capacity
	(units)	*(units)*	*(units)*
Nanjing production base	6,528,170,000	7,191,200,000	8,459,700,000
Yangzhou production base	522,000,000	780,000,000	1,000,000,000
Total	7,050,170,000	7,971,200,000	9,459,700,000

Notwithstanding the historical under-utilisation of our existing production facilities and the fact that our Yangzhou production base was still in the production ramp-up stage, our Directors believe that the construction of the additional production facility using part of our net proceeds from the Global Offering is commercially justified in light of our Group's planned future business growth and anticipated customer demand, taking into account our proven business growth, as evidenced by

the increase in revenue from approximately RMB509.1 million in 2023 to RMB1,012.2 million in 2025, production volume from approximately 2,499 million units to 5,460 million units, and customer base from 127 to 161 during the same period, as well as the Group's strong R&D capabilities, diversified product offerings and portfolio of 232 patents in the PRC. Given the high requirements of semiconductor packaging and testing production bases in terms of production environment, equipment configuration and customer validation processes, the construction of a new production base generally involves a lengthy construction, commissioning and customer introduction period. It generally takes approximately three years from the commencement of construction to customer acceptance and stable mass production, according to our Directors. Accordingly, our Group resolved to commence the construction of the production base and new production lines to proactively prepare for future production capacity requirements and meet the expected growth in customer orders in the coming years. See "Future Plans and Use of Proceeds".

The Directors are of the view that the establishment of the additional production base and the upgrade of machinery for existing production plant is supported by sufficient demand, considering that: (a) *Industry Growth.* According to Frost & Sullivan, the global semiconductor market boasts enormous potential and vast space. Looking ahead, the global semiconductor market is expected to grow to RMB17,095.2 billion by 2030, whereas the PRC market is projected to maintain strong growth momentum and will reach RMB4,743.6 billion by 2030. The PRC share in the global market continues to rise, reflecting the country's growing significance in the semiconductor industry amid these favourable industrial drivers. We are of the view that, in general, the increase in industry demand for packaging products will indicate corresponding increase in demand for our products and historical track record that our revenue and thus the demand for our products continued to grow along with the increasing industry demand in the PRC. (b) *Historical Growth.* For the years ended December 31, 2023 and 2024, 2025, we recorded revenue of approximately RMB509.1 million, RMB827.4 million and 1,012.2 million, representing an increase of approximately 62.5% and 22.3% year to year increment in terms of sales revenue of packaging products for the years ended December 31, 2024 and 2025, respectively. For the four months ended April 30, 2025 and 2026, we recorded the revenue of approximately RMB306.4 million and RMB359.7 million, respectively, representing an increase of approximately 17.4% increase in term of sales revenue. For the years ended December 31, 2023 and 2024, 2025, we produced approximately, 2,499 million units, 4,314 million units and 5,460 million units of packaging products, representing an increase of approximately 72.6% and 26.6% year to year increment in terms of produced volume of packaging products for the years ended December 31, 2024 and 2025, respectively. For the four months ended April 30, 2025 and 2026, we produced approximately 1,580 million and 1,770 million units, respectively of packaging products, representing an increase of approximately 12.1% in term of produced volume of packaging products. Moreover, we were able to further attract new customers, as evidenced by the increase in number of customers for the years ended December 31, 2023 and 2024 and 2025, being 127 and 133 and 161. Accordingly, our historical data demonstrates sufficient and sustainable market demand for packaging products. The combination of growth in (i) revenue, (ii) sales volume, and (iii) number of customers supports our products are competitively positioned and well-received in the market. (c) *Competitive Advantages over other Market Players.* We believe that our strong R&D capabilities, as evidenced by the number of patents we own, coupled with our diversified product offering, has distinguished us from other market players in the PRC's packaging and testing industry. As of the Latest Practicable Date, our R&D efforts had accumulated 232 patents, which consisted of over 41 invention patents and 191 utility model patents in the PRC. According to Frost & Sullivan, of the top eight domestic market players of General-Purpose OSAT companies by revenue in advanced packaging and testing, we are one of the four companies that that have achieved comprehensive capabilities across advanced packaging categories, namely, 2.5D/3D (FOCT-R/S/L, TGV), WLP (Fan-Out WLP, Fan-In WLP and Bumping), BGA (WB/FC-BGA, Hybrid-BGA), LGA (WB/FC-LGA and Hybrid-LGA), and FC-QFN in 2025. (d) *Anticipated Customers' Demand.* We have discussed with major customers on their expected demand for packaging products which indicates an overall increasing trend in 2026 as compared to 2025. We will continue to maintain relationship with existing customers in order to ensure future orders for packaging products.

(vi) Continuing technology development for mass production to enhance new product offering

The continual development and iteration of packaging products enables us to offer more solutions with better performance to customers. The diversification and enhancement of our product offerings would also allow us to meet the diverse needs of customers, thereby driving order volume and contributing to sustained revenue growth. The below table sets out the current status, expected mass production timeline and perspective customers of our new packaging products and technologies:

New Products & technologies	Sub-category	Current Status	Perspective Customers
2.5D/3D	FOCT-S	FOCT-S: completed internal technique validation; and in readiness to support batch level internal technique validation upon customer request.	Leading domestic GPU/HPC customer
	FOCT-L	FOCT-L: completed internal technique validation; and in readiness to support batch-level internal technique validation upon customer request.	Leading domestic GPU/HPC customer
	SETiS/RETiS	SETiS/RETiS: completed internal technique validation; and in readiness to support batch-level internal technique validation upon customer request.	Currently in early-stage customer promotion
	CPO	CPO: completed internal technique validation; completed batch-level internal technique validation; undergoing initial customer onboarding.	Leading domestic optical module manufacturer
TXV	TMV	TMV: completed internal technique validation; and in readiness to support batch-level internal technique validation upon customer request.	Leading domestic GPU customers
	TGV	TGV: completed internal technique validation, and undergoing batch-level internal technique validation in collaboration with School of Integrated Circuits, Southeast University.	Domestic radio frequency-related client
X-SiP	EMI Shielding SiP	EMI Shielding SiP: completed internal technique validation; completed batch-level internal technique validation; undergoing initial customer onboarding.	Leading domestic RF module company
	EMI Shielding DSmSiP	EMI Shielding DSmSiP: completed internal technique validation; and undergoing batch-level internal technique validation upon customer request.	Leading domestic RF module company

New Products & technologies	Sub-category	Current Status	Perspective Customers
	OLGA	OLGA: completed internal technique validation; completed batch-level internal technique validation; undergoing initial customer onboarding.	Leading domestic optical sensor company

We have made progress in the development of multiple advanced packaging technologies. These developments reflect our strong execution in product innovation and customer alignment, and position us to capture future demand in high-performance computing and RF applications.

Development and commercialization roadmap

The development and commercialization roadmap of us can be seen as a two-layer structure, which includes mature packaging products and technologies, namely, QFN, BGA, LGA, WLP and 2.5D/3D (FOCT-R) as its cash-generating foundation, and future packaging products and technologies, namely, 2.5D/3D (FOCT-S, FOCT-L, SETiS/RETiS, CPO), TXV (TMV and TGV), X-SiP (EMI Shielding SiP, EMI Shielding DSmSiP, OLGA) to further its long-term growth driver.

In 2026, we plan to focus on continuing the technological research and development of future packaging products and technologies, namely, 2.5D/3D (FOCT-S, FOCT-L, CPO), TXV (TMV and TGV), X-SiP (EMI Shielding SiP, EMI Shielding DSmSiP, OLGA). The Company targets to initiate the commercialization of FOCT-S, CPO, TMV, EMI Shielding SiP, EMI Shielding DSmSiP and OLGA in 2026-2028.

In 2027-2029, we target to enter more advanced commercialization phases by adding SETiS/RETiS, FOCT-L and TGV into its commercialization, which supports further revenue scaling.

Validation status

Our technical and production workflow for its new packaging products and technologies generally comprises four sequential stages:

(a) Internal technical validation (Stage 1). At the internal technical validation stage, we conduct preliminary in-house validation of the processes, materials and equipment involved in the relevant technology, and establish a preliminary processing procedure and define the bill of materials (BOM).

(b) Customer product validation (Stage 2). Upon completion of internal technical validation, the process proceeds to the customer product validation stage, during which the customer supplies formal wafers and works with us to complete the packaging design of the product; we then complete packaging process validation using the customer's actual product, and the customer conducts functional and reliability testing on the packaged units. The customer also conducts audits of production lines for the packaging product. The relevant products are to be certified and approved by customers and their end customers with all relevant data approved.

(c) Small-batch production (Stage 3). Following successful customer product validation, the process advances to the small-batch production stage, where the customer supplies formal wafers in batches, and we carry out packaging and processing production in accordance with the customer's requirements, with a view to improving production yield and achieving small-batch shipment of the packaged finished products.

(d) Mass production (Stage 4). The final stage is mass production, at which point the customer supplies formal wafers in large volumes, and we arrange production in accordance with the customer's forecast and shipment plan, monitor product yield, and achieve orderly mass shipment of the customer's products.

Across the portfolio of future packaging technologies, we have finished internal technical validation (Stage 1) for: FOCT-S, FOCT-L, CPO, SETiS/RETiS, TMV, TGV, EMI Shielding SiP, EMI Shielding DSmSiP and OLGA.

Among these, CPO, EMI Shielding SiP and OLGA have entered customer product validation and batch-level internal technical validation, and are currently undergoing initial customer onboarding (Stage 2).

The completion of "customer product validation" is expected to enhance customer stickiness due to high switching costs as a result of stringent validation processes. These validation procedures typically span approximately 3 to 9 months, which, according to Frost & Sullivan, is consistent with the industry norm and underscores the significance of securing long-term partnerships in the industry. The validation procedures involve rigorous testing of electrical performance, reliability under thermal cycling, and compatibility with the customer's device fabrication and packaging flows, making it costly and time-consuming for customers to requalify alternative packaging suppliers.

Securing these partnerships is a common industry practice, according to Frost & Sullivan, and once a packaging supplier is locked-in by the customer, it becomes challenging to switch due to the extensive validation process required for new packaging suppliers. As confirmed by Frost & Sullivan, switching OSAT suppliers for fabless semiconductor companies typically involves process transfer, testing and validation, reliability qualification, and customer requalification. Depending on factors such as product type, packaging complexity, reliability requirements, and customer qualification requirements, the switching cost can range from several million to tens of millions of RMB, with the transition typically taking 6 to 18 months.

Upfront capital requirement for R&D and/or hardware requirements, commercial significance of its principal existing and pipeline products and production facilities

Since its establishment, we have focused on R&D and technological innovation of packaging products, and have built a professional R&D headquartered in Nanjing, China. The upfront capital investment in R&D forms the foundation for the iteration and commercialization of our products. For the three years ended December 31, 2025, our total upfront capital expenditure on R&D amounted to approximately RMB14.51 million, mainly covering: (a) the construction of R&D laboratories; (b) procurement of R&D equipment and hardware (including TCB (Thermal Compression Bonding) equipment, wafer molding equipment, bonding equipment, debonding equipment, CMP (Chemical Mechanical Polishing) equipment, RIE (Reactive Ion Etching) equipment, PECVD (Plasma-Enhanced Chemical Vapor Deposition) equipment and other equipment and supporting facilities relating to the R&D of 2.5D/3D products); (c) and other supporting capitalised R&D infrastructure investments. Prior to the Track Record Period, our historical upfront R&D capital investment since incorporation reached approximately RMB7.19 million cumulatively. Such continuous and targeted capital input has enabled us to form technical accumulation in packaging product specifications, structural performance, functional characteristics and application scenarios, laying a solid foundation for the commercialization and iteration of existing and pipeline products.

The principal existing and pipeline products are commercially significant to us in a number of ways. Backed by investment and technical accumulation, our existing packaging products possess market competitiveness and commercial value and constitute our main operating revenue stream. Our established packaging portfolio, namely QFN, BGA, LGA, WLP and 2.5D/3D (FOCT-R), spans diverse standard and custom specifications to satisfy standard and customised packaging requirements of diverse customers across consumer electronics, communication, industrial & medical, car electronic and data center sectors. These existing products have attained solid market penetration and consistent mass supply to generate repeatable and sustainable revenue. Furthermore, proprietary technologies and validated application experience built through long-term upfront R&D create technical and market barriers, enabling our offerings to remain competitive in the market.

Our ongoing upfront R&D capital expenditure facilitates iteration of existing products and development of pipeline products and technologies, namely, 2.5D/3D (FOCT-S, FOCT-L, SETiS/RETiS, CPO), TXV (TMV and TGV), X-SiP (EMI Shielding SiP, EMI Shielding DSmSiP, OLGA), which serve as the core driver of its future business expansion. Our pipeline products target high-value markets to capture rising market demand from downstream high-end sectors. From a commercial perspective, these pipeline products demonstrate growth potential. Upon mass production and commercial rollout, these products will diversify our product portfolio, broaden our mid/high-end customer base and unlock incremental market opportunities to generate new revenue streams.

Our R&D center headquartered in Nanjing, China and supporting R&D facilities are the core carrier for transforming R&D investment into commercial benefits, with important strategic and commercial significance for sustainable business development. In terms of R&D facilities, the self-built R&D laboratories and hardware and equipment acquired through upfront capital investment support independent R&D work, including product optimisation, structural design, performance testing and process verification. The R&D hardware system enables us to independently complete the whole process from innovative product conception, experimental development to small-batch production, ensuring the timeliness of product iteration, confidentiality of core technologies and controllability of R&D costs, and providing continuous technical output for the upgrading of existing products and the launch of pipeline products. On the other hand, our production systems and facilities form a stable production capacity assurance for the commercialization of mature products and the subsequent mass production of pipeline products. The integrated layout of R&D and production realize the rapid docking of R&D achievements and market demands: R&D technologies can be effectively converted into standardized production processes, improving production efficiency and product consistency; innovative pipeline products can complete performance validation and production in the existing production and R&D system, realizing commercial conversion after meeting market launch standards. This integrated R&D and production model reduces the risk of technological achievement transformation, shortens the product commercialization cycle, and provides capacity and technical support for our market expansion and performance growth.

While we continue to invest in resources to cultivate relationship with these customers and put in its efforts to enter into strategic cooperation agreement and packaging and testing service agreements, the fulfilment of such purchase and recognition of associated revenue are subject to actual purchase order based on the satisfaction of related assumptions and conditions, including market conditions, R&D and delivery of our products and business needs of its customers in the future.

Information on product validations during the Track Record Period and up to the Latest Practicable Date

During the Track Record Period and up to the Latest Practicable Date, quantitative data for our product validation projects covering packaging products, QFN, BGA, LGA, WLP and 2.5D/3D packaging, are set out below:

Existing Product Validation	Ongoing	Successful	Failed	Delayed
QFN	929	2,643	Nil	Nil
BGA	550	2,723	Nil	Nil
LGA	1,249	1,715	Nil	Nil
WLP	540	942	Nil	Nil
2.5D/3D (FOCT-R)	Nil	1	Nil	Nil

The number of validation projects in respect of 2.5D/3D (FOCT-R) is comparatively small because as customers' high-end products impose increasingly demanding performance requirements, customers have progressively migrated from FOCT-R to our next-generation FOCT-S and FOCT-L solutions, the proportion of which has continued to increase substantially.

Pipeline Product Validation	Ongoing	Successful	Failed	Delayed
2.5D/3D (FOCT-S, FOCT-L, CPO, SETiS/RETiS)	7	2	Nil	Nil
TXV (TGV)	1	Nil	Nil	Nil
X-SiP (EMI Shielding SiP/EMI Shielding DSmSiP/OLGA)	12	3	Nil	Nil

Note:

Validation projects involving TMV are included under "2.5D/3D" above, as TMV is currently applied as part of certain of our CPO products rather than on a standalone basis. Accordingly, the "TXV" row reflects validation projects for TGV only, and no validation project is counted more than once.

The number of pipeline product validation projects is comparatively small because a certain number of these high-end packaging technologies remain at the new technology development stage and are currently undergoing our internal technical validation, while customer product validation has already commenced in respect of a certain number of other packaging technologies.

Considering the above, we maintain a diversified customer base and a broad spectrum of validation pipelines across all packaging products and technologies, and there were zero delayed or failed validation projects throughout the Track Record Period, demonstrating our stable project execution and ability to meet customer qualification timelines.

The tables above set out the number of our validation projects during the Track Record Period and up to the Latest Practicable Date. While the four-stage workflow described above applies to each of our packaging technologies, a validation project refers to the validation of any customer product using our packaging technology, which takes place at the customer product validation stage (Stage 2). The roadmap reflects its overall development progress, whereas the tables above reflect the status of individual customer validation projects.

In the tables above, (a) "Ongoing" refers to validation projects which were undergoing customer product validation (Stage 2) as at the Latest Practicable Date; (b) "Successful" refers to validation projects which had passed customer product validation (Stage 2) and proceeded to small-batch production (Stage 3) and, where applicable, subsequently mass production (Stage 4); (c) "Failed" refers to validation projects which were terminated at customer product validation

(Stage 2) because the packaged units failed to satisfy the customer's functional, reliability or other technical requirements; and (d) "Delayed" refers to validation projects which were not completed within the timeline agreed with, or expected by, the relevant customer.

Internal technical validation (Stage 1) is conducted in-house without customer involvement and is therefore not reflected in the tables above. Validation projects suspended or terminated by customers for reasons not attributable to us, such as changes in the customer's own product plans, are not counted as failed or delayed.

Our existing packaging technologies, namely QFN, BGA, LGA, WLP and 2.5D/3D (FOCT-R), are mature technologies which have reached mass production (Stage 4). Before a customer places production orders for the new chip, we package samples of that chip for the customer's testing and approval. Each such qualification is counted as one validation project in the "Existing Product Validation" table above. As the relevant technologies are already mature, these projects do not involve internal technical validation (Stage 1) and are similar in nature to customer product validation (Stage 2). Certain of these projects remained at Stage 2 because, after passing such testing and approval, the relevant customers had not yet placed orders for small-batch production (Stage 3).

B. GROSS MARGIN IMPROVEMENT

As our business and revenue grew during the Track Record Period, we benefited from economies of scale and experienced an improvement in the gross loss margins of packaging products.

(i) Gross Margin Improvement through optimization in product mix, customer portfolio and sales structure

Product Mix

To enhance our gross margin profile and mitigate exposure to loss-making product lines, we implemented a strategy to improve the profitability of our product mix. Under this strategy, we review the profitability of our products and customer orders and seek to increase sales of products and accept orders that are expected to generate relatively higher gross margins or lower gross losses, while reducing or gradually discontinuing products and orders that consistently generate significant gross losses. This strategy involves conducting analyses of purchasing patterns to identify customers whose procurement is concentrated in packaging products with structurally low or negative margins. For such customers, we adjust our product mix by phasing out low-margin offerings, tightening supply allocation, and seeking to encourage a shift towards products with better margin profiles by, among other things, prioritising production capacity and engineering resources for such products and negotiating selling prices and other commercial terms having regard to the relevant production costs and technical requirements. In particular, for certain customers, we have worked with them to develop and validate new packaging products and specifications with relatively higher gross margins and, following successful development and validation, allocated production capacity to support their subsequent production and procurement. Concurrently, we deepen customer engagement through tailored technical and commercial solutions that deliver performance and value, thereby guiding demand toward packaging products that contribute positively to profitability. As a result of these efforts, we achieved a reduction in loss margins across our top ten customers during the Track Record Period. While certain customers continued to exhibit negative gross profit margins due to legacy product structures or transitional demand patterns, the overall trajectory reflects improvement. For example, the aggregate gross loss margin for our top ten customers narrowed from 27.2% in 2023 to 14.3% in 2025, and was 13.8% for the four months ended April 30, 2026. Our top ten customers collectively accounted for approximately 60.9%, 70.8%, 70.0% and 65.7% of our total revenue in 2023, 2024, 2025 and the four months ended April 30, 2026, respectively. This margin improvement was driven by a combination of product rationalization and enhanced pricing mechanisms. We expect these measures to improve our overall

gross margin by reducing the contribution from loss-making products and increasing the contribution from products with higher gross margins. We believe these measures have laid a robust foundation for sustainable margin expansion and improved customer quality going forward.

Optimization in Customer Portfolio

Our customer portfolio optimization strategy focuses on expanding our business with selected customers with demand for higher-margin products and growth potential, while gradually reducing our involvement in persistently loss-making or lower-margin projects. We believe that such customers are willing to maintain or expand their cooperation with us primarily in view of our established business relationships and our ability to meet their technical, production and delivery requirements. To optimize customer portfolio, we plan to:

(a) *QFN segment:* (i) strengthen cooperation with Customer Group C, strengthening its presence in higher-margin QFN products. Customer Group C was selected as a high-growth anchor customer in view of the growth in revenue generated from it and the turnaround in its gross profit margin following its transition from small-size to large-size QFN products. To secure orders from Customer Group C, we assist in the rapid and efficient development of new products and expand production capacity to accommodate the increased order demand of Customer Group C. Our strong technical engineering capabilities, service efficiency, and responsive delivery commitments are the underlying reasons why Customer Group C has chosen to place orders with; and (ii) negotiate with Customer DD with a view to increasing unit prices and phasing out loss-making orders relating to power bank products, thereby improving the gross profit margin attributable to orders from this customer. Customer DD was willing to accept such price increases primarily due to its stringent product quality requirements and our ability to consistently meet such requirements. Any resulting reduction in order volume from this customer is expected to be offset by additional orders from Customer Group C.

(b) *BGA segment:* (i) pursue larger BGA orders from Customer CC, a leading fabless semiconductor company based in Taiwan, China and a key customer selected by the Company for order volume expansion, with a view to achieving economies of scale and lowering unit fixed costs. Such selection is supported by the year-on-year growth in BGA revenue generated from Customer CC; and (ii) actively seek new BGA orders from Customer L, a leading fabless semiconductor company based in Taiwan, China.

(c) *LGA segment:* (i) seek to increase order volumes from Customer Group F for SiP-LGA with higher gross margin while negotiating to increase price for WB-LGA to improve gross margin, which Customer Group F was willing to accept primarily due to its stringent product quality requirements and our ability to consistently meet such requirements; and (ii) seek to increase order volumes from Customer Group R. These two customers were selected as fast-growing core LGA customers in view of the steady growth in revenue generated from them during the Track Record Period. Through the above measures, we intend to further shift our LGA product mix towards products with higher profitability.

(d) *WLP segment:* seek additional WLP orders from Customer Group A. Customer Group A was selected as a strategic WLP customer in view of the rapid growth in WLP revenue generated from it and the long-term growth potential of advanced packaging products, which would enable us to scale our WLP business and diversify our product revenue mix.

For the four months ended April 30, 2026, the average selling price of our QFN products increased materially by approximately 33.3% as compared to the corresponding period in 2025. The average selling price of our WLP products increased by approximately 11.8% as compared to the corresponding period in 2025.

We have observed improvements in the profitability of certain selected customers. For example, the gross profit/(loss) margin attributable to Customer Group C improved from a gross loss margin of 10.2% in 2023 to gross profit margins of 6.4% in 2024 and 15.9% in 2025, and further increased from 13.4% for the four months ended April 30, 2025 to 15.5% for the corresponding period in 2026. Similarly, the gross loss margin attributable to Customer Group F narrowed from 68.2% in 2023 to 46.2% in 2024 and further to 30.9% in 2025, and narrowed from 36.0% for the four months ended April 30, 2025 to 35.6% for the corresponding period in 2026.

In further implementation of our customer portfolio optimization strategy, in 2026, we reduced orders under WLP (Fan-Out) packaging projects with Customer I and Customer D, which generated negative gross margins. In particular, the gross loss margin attributable to Customer D narrowed from approximately 45.4% in 2024 to 35.7% in 2025, and further improved from a gross loss margin of 30.3% for the four months ended April 30, 2025 to a gross profit margin of 10.2% for the corresponding period in 2026. By reducing such orders, we were able to release production capacity and operational resources and reallocate them to high-value QFN, BGA, LGA and WLP products with comparatively better gross margins.

Collectively, these measures focus on scaling the volumes of products with comparatively higher gross margins, renegotiating pricing terms and gradually reducing orders from persistently loss-making projects, and are intended to facilitate the optimization of our customer portfolio and the gradual improvement of our overall profitability. The improvement in profitability is particularly reflected in our QFN products. The gross loss margin of our QFN products narrowed from 37.1% in 2023 to 12.5% in 2024 and further to 7.0% in 2025, and turned to a gross profit margin of 2.8% for the four months ended April 30, 2026, compared with a gross loss margin of 13.2% for the corresponding period in 2025. While certain of our other products continued to record gross losses, we are continuing to implement the above measures to further improve our overall profitability.

Notes:

(1) Customer DD is a fabless semiconductor company based in Shenzhen. It specializes in the design and sales of power management and other integrated circuit products.

(2) Customer CC is a fabless semiconductor company based in Taiwan, China. It specializes in the design and sales of integrated circuit products.

(3) Customer L is a company incorporated in Taiwan, the PRC in 1997 and listed on the Taiwan Stock Exchange Corporation. It specializes in the design, development and sales of integrated circuit products.

(4) Customer Group F consists of (a) a company incorporated in Chongqing, the PRC in 2017, specializing in the research, development and sale of high-performance RF front-end chips and modules; and (b) a company incorporated in Shenzhen, the PRC in 2024, principally engaged in software and information technology services.

(5) Customer Group R consists of (a) a company incorporated in Anhui, principally engaged in semiconductor-related research and development and the manufacture and sale of semiconductor devices; and (b) a company incorporated in Shanghai, principally engaged in the research and development of integrated circuits and the sale of chips and semiconductor components.

(6) Customer I is a semiconductor company based in Shanghai. It specializes in the design and sales of integrated circuit products.

(7) The 2.5D and 3D segment runs batch-to-batch production subject to customer demands, with no targeted optimization arranged for this line.

Sales Structure

To ensure efficient communication and accelerate adoption of new products: (i) we establish a dedicated key account manager system to coordinate internal resources and resolve technical issues. Under such system, our key account managers coordinate among our customers and our R&D, production and quality departments throughout the new product development process. (ii) Weekly review meetings will be held to monitor product development progress. The key account

managers organize weekly cross-department review meetings to track the full product development progress. During each weekly review meeting, our R&D, production and quality departments jointly review project milestones, including packaging design completion, raw material availability, sample testing yields, quality control issues, product customization and research and development results. If any milestone falls behind schedule or technical defects arise, the relevant key account manager immediately coordinates with the relevant departments to formulate corrective plans and update the relevant customer on the adjusted timeline, while recording the identified risks and solutions in our project management system for follow-up tracking. (iii) Quarterly business review (QBR) sessions will strengthen client engagement and loyalty. During the QBR sessions, our key account managers communicate with key customers regarding new product development progress and customers' product development plans and requirements. Through such regular communication, we are able to better understand our customers' future product development directions and technical requirements and respond to their new product development needs in a timely manner. (iv) In parallel, we optimize our customer-specific documentation system to quickly align with customer quality and technical requirements, enabling rapid evaluation and timely feedback. Together with the timely internal and external coordination by our key account managers, these measures have improved the efficiency of new product development with our customers. As efficient new product development is important to our customers, the enhanced development efficiency and responsiveness strengthen our cooperation with customers and increase their willingness to cooperate with us in the development of new products, thereby providing us with opportunities to secure subsequent mass production orders for such products.

Our customer engagement efforts are also reflected in our relatively stable customer retention rates of 77.4%, 79.5% and 79.0% in 2023, 2024 and 2025, respectively, with the number of retained customers increasing from 96 in 2023 to 101 in 2024 and further to 105 in 2025. For the four months ended April 30, 2026, our customer retention rate was 64.6%, with 104 retained customers. Such stable customer relationships provide us with opportunities to secure new product development and subsequent mass production orders, thereby supporting the expansion of our production scale, improved fixed cost absorption and the gradual improvement of our gross margin. In particular, our aggregate actual production volume increased from approximately 2.5 billion units in 2023 to 4.3 billion units in 2024 and further to 5.5 billion units in 2025, while our overall gross loss margin narrowed from 38.4% to 20.1% and 18.0%, respectively. For the four months ended April 30, 2026, our aggregate actual production volume increased to approximately 1.8 billion units from approximately 1.6 billion units for the corresponding period in 2025, while our overall gross loss margin narrowed from 20.5% to 17.9%.

(ii) reduce costs of sales by increasing the efficiency of supply chain management, and taking into costs control measures in raw materials, labours and utilities

Supply Chain Management

Effective supply chain management is vital to reducing costs and enhancing profitability. By diversifying supplier base, we fostered price competition while maintaining product quality. At the same time, as our sales scale and production output increase, our bargaining power with suppliers has increased, enabling more favorable procurement prices for raw materials. For years ended December 31, 2023, 2024 and 2025, our aggregate unit price on its purchase of raw materials for same product model from our top raw material suppliers has generally declined.

We have adopted a series of measures to achieve procurement savings, including leveraging market competition pressure by introducing new suppliers or utilizing competition among existing suppliers, engaging in direct price negotiations based on market conditions and cost analysis to secure more favourable unit prices. In addition, by partnering with core suppliers, we are able to more effectively mitigate cost fluctuations caused by supply-demand imbalances and ensured stable product supply for customers. During the Track Record Period, our procurement costs in average steadily declined, and we did not experience any cost fluctuations caused by supply chain disruptions for key materials. We expect to continue optimizing raw material procurement costs through supply chain management, creating strong profitability potential for our products.

Production Costs Reduction

To reduce the costs of sales, we have taken cost control measures as follows: (a) ***Raw material costs.*** To reduce raw material costs we have entered into long-term supply contracts with a number of our raw material suppliers, including the top five suppliers (other than the electricity supplier) as well as certain other suppliers that are not among the top five suppliers. Pursuant to such contracts, the relevant suppliers and we mutually agreed that the agreements would serve as a framework for our long-term commercial cooperation. In particular, with respect to raw material pricing, the relevant suppliers undertook that: (i) the prices offered to us would be the most favorable prices available under comparable conditions and, in the event of any failure to comply with such commitment, the relevant suppliers would compensate us for any pricing differential and extend such more favorable pricing to the relevant raw materials and future purchases of the same raw materials; (ii) we may request price adjustments where its technical requirements are reduced, procurement volume increases significantly or the suppliers' production costs decrease substantially; and (iii) in the event of unexpected significant increases in raw material prices or market prices, the relevant suppliers would provide us with a one-month price protection period during which the parties would renegotiate the applicable raw material prices. In addition, the relevant suppliers undertook to maintain a stable and continuous supply of raw materials to us. At the same time, from an internal perspective, we promote material recycling and reuse, such as reclaiming gold wires, solder balls, and substrates, with implementation of waste liquid recycling. For instance, we worked towards testing cyanide-free electroplating waste solutions with suppliers to reach recovery rates above 95%. Where feasible, we adopt alternative materials to balance cost and performance, introducing domestic low-cost substitutes, covering, substrates, copper wires, conductive adhesives, and molding compounds. In addition, we implement lean inventory management to minimize waste and inventory costs, with material control based on business forecasts and delivery schedules adjusted appropriately upon issuance of production orders; (b) ***Labor costs.*** To reduce reliance on manual labor, we invested in automation and robotics, implementing cost-reduction projects across different production stations through dedicated project management, thereby lowering labor dependence and overall labor costs. Also, we adopt a flexible labor model, outsourcing non-core functions such as material delivery, security, and cleaning. Operational tasks are subdivided and standardized to enable targeted training of flexible workers, allowing them to achieve operational readiness within a short period. Each new employee is assigned a mentor responsible for training, guidance, and assessment to ensure work quality. Furthermore, we conduct training to improve production efficiency and reduce error rates, supported by benchmarking against operational indicators, such as, packaging units per labor hour. All employees are assigned specific performance metrics, including output and rework rates, with monthly recognition of outstanding employees and data indicator tracking to reinforce performance management; (c) ***Utility costs.*** To reduce utility costs, we upgraded to high-efficiency equipment and implemented measures, such as, monthly reviews of energy consumption and equipment utilization, installation of solar energy storage to balance peak and off-peak electricity usage, adoption of automation and artificial intelligence to replace repetitive manual tasks, and simplification of redundant production steps. In addition, we use intelligent monitoring systems to track electricity, water and gas consumption, and has introduced energy-saving measures, including heat recovery devices for the hot water system, reducing natural gas consumption by approximately 200,000 cubic meters annually, together with reclaimed water systems capable of treating over 200,000 m^3 per year to lower tap water usage.

As we adopted measures to enhance cost efficiency and achieve economies of scale, the total of material costs and utilities costs among cost of sales as a percentage of revenue decreased since 2023, from 55.9% in 2023 to 50.5% in 2024, and further to 49.8% in 2025. The total of material costs and utilities costs among cost of sales as a percentage of revenues decreased from 50.3% for the four months ended April 30, 2025 to 48.2% for the four months ended April 30, 2026. Specifically, depreciation and amortization allocated to cost of sales as a percentage of revenue decreased from 35.7% in 2023 to 29.1% in 2024, and remained low at 30.1% in 2025. The depreciation and amortization allocated to cost of sales as a percentage of revenue increased from 29.5% to 33.0% for the four months ended April 30, 2025 and 2026 respectively, mainly due to the

increased depreciation resulted from our purchase of new equipment to support our business development and expansion. Labor costs allocated to cost of sales as a percentage of revenue decreased from 30.6% in 2023, further to 27.2% in 2024, and to 25.3% in 2025. Labor costs allocated to cost of sales as a percentage of revenue decreased from 28.2% for the four months ended April 30, 2025, to 24.9% for the four months ended April 30, 2026.

As orders for packaging products continue to grow and as our in-house production lines ramp up, we expect production line utilization to further improve, driving additional reductions in depreciation and expanding product profitability.

C. IMPROVING OPERATING EFFICIENCY

In terms of operating expenses, we intend to efficiently manage expenses as a percentage of our total revenues and expect margin improvements from economies of scale and enhanced operating efficiency. In particular: (i) ***Selling and distribution expenses.*** Selling and distribution expenses as a percentage of revenue decreased from 1.8% in 2023 to 1.2% in 2024, and remained relatively low at 1.2% in 2025. The percentage decreased from 1.3% for the four months ended April 30, 2025, to 1.2% for the four months ended April 30, 2026. We expect to maintain continual improvement of marketing efficiency, benefiting from our positive market image, solid industry reputation and diverse product offerings. In particular, we established brand name and recognition of our packaging products in end-customer applications help reduce promotion expenses and the expenses in new customer acquisition. Additionally, we expect dedicated sales team will bring us more sales with robust sales and distribution network. Investments in sales and marketing enhance our ability to understand customer and market demands more effectively, the information of which is communicated back to the R&D team, allowing us to make research efforts more targeted and fostering a strong synergy between sales and R&D; (ii) ***Administrative expenses.*** Administrative expenses as a percentage of revenue decreased from 10.5% in 2023 to 7.5% in 2024, and increased to 11.6% in 2025, primarily due to increase in equity-settled share-based payment expense. The percentage decreased from 14.1% for the four months ended April 30, 2025, to 7.9% for the four months ended April 30, 2026. We expect more effective management of administrative expenses through the optimization of team structure, which includes introducing budgeting protocols, conducting regular financial audits and fostering a cost-conscious culture. We also leverage modern operational technology, including integrated CRM and supply chain management systems, as well as artificial intelligence technologies for predictive analytics and process optimization; (iii) ***R&D Expenses.*** R&D efficiency improved significantly during the Track Record Period. During the Track Record Period, the R&D expenses as a percentage of revenue improved from 15.1% in 2023, to 11.3% in 2024, and remained relatively low from 8.5% in 2025. The percentage decreased from 10.7% for the four months ended April 30, 2025, to 8.3% for the four months ended April 30, 2026. We expect these trends to continue, as: (a) it strives to develop and optimize R&D technologies to improve R&D efficiency, leveraging on CAPiC platform to focus R&D in future cutting-edge packaging know-how and facilitate collaboration with renowned universities to innovate packaging technologies; and (b) R&D team was well-established and expected to remain stable in the near future.

Based on the foregoing, we expect to achieve a better operating efficiency with control over its operating expenses.

In summary, the loss for the period incurred during the Track Record Period reflect our strategic focus on business growth, technological enhancement and the expansion of product portfolio, all of which pave the way for long-term profitability. As our technologies mature and product offering continues to expand, we are poised to meet the diverse needs of its customers and drive further revenue growth. Moreover, with the growing economies of scale and ongoing improvements in operating efficiency, we anticipate improvements in margins that will underpin its long-term sustained profitability. Based on the foregoing, the Directors are of the view that we have a sustainable business.

The foregoing forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. These forward-looking statements are subject to risks, uncertainties and other factors, some of which are beyond our control, which may cause the 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.

U.S. EXPORT CONTROL IMPLICATIONS

Under the U.S. Export Administration Regulations (EAR), a license, license exception or authorization from the U.S. Department of Commerce, Bureau of Industry and Security (BIS) is required for the export, re-export or in-country transfer of any items subject to the EAR. Items subject to the EAR include not just U.S.-origin items or items made in the U.S., but also certain items made outside the U.S., that incorporate more than a de minimis amount of U.S.-origin controlled content or that are produced abroad using controlled U.S. software, technology or items. Violating export controls can lead to lengthy investigations, severe penalties, as well as the risks of being sanctioned or placed on any restricted party lists which could exclude the company from the global supply chain, or otherwise limit the company's ability to engage with the global market, thereby severely impacting its operations and overall market competitiveness.

As advised by our International Sanctions and Export Control Legal Advisors, in recent years, the U.S. government has implemented extensive semiconductor related export controls, targeting China, to maintain the U.S.'s technological superiority in this industry and to address perceived national security concerns arising from China's access to the U.S.'s advanced semiconductor technologies and manufacturing capabilities. Export control violation risks could arise were we to export, re-export or transfer (in-country) items subject to the EAR without complying with the applicable license requirements, or otherwise service any item subject to the EAR where we had the knowledge that a violation of the EAR had occurred, was about to occur or was intended to occur in relation to that item. A significant number of Chinese companies have also been placed on the Entity List maintained by the BIS, which means that any applications to export, re-export or transfer (in-country) items subject to the EAR to these parties would in principle be denied by the BIS. In this regard, based on the review of our International Sanctions and Export Control Legal Advisors, of the suppliers and customers with which our Group had dealings during the Track Record Period: (a) six of our customers, with which we had dealings during the Track Record Period; and (b) seven of our suppliers, with which we had dealings during the Track Record Period (four of which were also the suppliers of Yangzhou Chiplet during the Track Record Period), have been placed on the Entity List maintained by the BIS.

The tables below set out further details of the Group's transactions with customers and suppliers that have been placed on the Entity List.

Customers

No.	Customers	Relevant Group Entity	For the years ended December 31			For the four months ended April 30, 2026	Track Record Period	Last Transaction Date as at 30 April 2026
			2023	2024	2025			
			Revenue (expressed in RMB)	*Revenue (expressed in RMB)*	*Revenue (expressed in RMB)*	*Revenue (expressed in RMB)*	*Total revenue (expressed in RMB)*	
1 . .	Customer 1	Company	53,805.28	0	233,890	0	287,695.28	December 2025
2 . .	Customer 2	Company	0	0	1,797,211.61	3,067,267.88	4,864,479.49	April 2026
3 . .	Customer 3	Company	0	0	66,165.11	2,682.6	68,847.71	April 2026
4 . .	Customer 4	Company	386,068.32	0	0	0	386,068.32	November 2023
5 . .	Customer 5	Company	0	20,000	0	0	20,000	December 2024
6 . .	Customer 6	Company	44,071.71	61,407.54	0	0	105,479.25	May 2024

Suppliers

No.	Suppliers	Relevant Group Entity	Type of Procurement	For the years ended December 31			For the four months ended April 30, 2026	Track Record Period	Last Transaction Date as at 30 April 2026
				2023	2024	2025			
				Procurement amount (expressed in RMB)	*Procurement amount (expressed in RMB)*	*Procurement amount (expressed in RMB)*	*Procurement amount (expressed in RMB)*	*Total procurement amount (expressed in RMB)*	
1 .	Supplier 1	Company	Equipment	0	1,980,000	0	0	1,980,000	May 2024
2 .	Supplier 2	Company and Yangzhou Chiplet	Equipment	0	28,865,850	2,664,540	0	31,530,390	March 2025
3 .	Supplier 3	Company and Yangzhou Chiplet	Equipment	0	28,792,400	3,986,640	0	32,779,040	April 2025
4 .	Supplier 4	Company	Equipment	82,145,000	0	0	0	82,145,000	December 2023
5 .	Supplier 5	Company	Equipment	0	2,980,000	0	0	2,980,000	July 2024
6 .	Supplier 6	Company and Yangzhou Chiplet	Equipment	0	1,071,190	696,273.5	0	1,767,463.5	November 2025
7 .	Supplier 7	Company and Yangzhou Chiplet	Equipment	0	0	4,984,228.44	1,052	4,985,280.44	April 2026

We have entered into new transactions with some of the aforementioned customers and suppliers, and cannot completely rule out the possibility of entering into new transactions with such customers and suppliers in the future, in light of factors including commercial considerations, the fact that the use of equipment procured from the identified suppliers has been approved by our customers, and the need to procure additional equipment in support of our future expansion plan. However, assuming that (a) we will continue to adopt the business model adopted in the Track Record Period, (b) our future transactions with these counterparties will remain substantially the same, and (c) there will not be any broadening of the restricted party statuses of these counterparties, our view that the risks of our Group violating U.S. export controls were low during the Track Record Period (further explained below) would similarly apply to any such future transactions.

Implementing and maintaining an effective global trade compliance programme is and will continue to be of critical importance to our business. Notwithstanding the above, as also advised by our International Sanctions and Export Control Legal Advisors, the risks of our Group violating U.S. export controls (which, if any, would primarily arise from the Company's activities) were low during the Track Record Period, considering that:

(a) none of the technology or items sourced and used by us in the production of our packaging materials or in our servicing of our customers' products was subject to U.S. export controls. Where production equipment procured by us was of U.S.-origin, as is entirely in line with market practice, we relied on our suppliers' confirmation that none of the relevant equipment was subject to any U.S. export controls. In any event, we were considered as end-users of the equipment for the purposes of servicing our customers' products, and did not engage in the resale, export or re-export of these inputs to any third parties outside the Group;

(b) an overwhelming majority, specifically approximately 92.4% (by number) and 94.6% (by revenue), of our customers were based in the PRC;

(c) while we do not have complete visibility into the origins of our customer's products, to our knowledge, at least 90% of the products of our customers, which we were instructed to service, were made entirely domestically in the PRC;

(d) we were not aware of any indication that our customers' products which we were instructed to service incorporated any U.S.-origin items or technology or were otherwise subject to U.S. export controls;

(e) we were not aware of any facts that would give rise to any actual or inferred knowledge that any of our customers' products were exported, re-exported or transferred (in-country) in violation of the EAR;

(f) specifically in relation to the certain suppliers and customers that have been placed on the Entity List (as above) during the Track Record Period:

a. of the six of our customers who have been listed, with which we had dealings during the Track Record Period, only five were placed on the Entity List prior to or at the time of each relevant transaction. In addition, we were not aware of any indication that the products which we were instructed to service incorporated any U.S.-origin items or technology or were otherwise subject to U.S. export controls. Accordingly, it is unlikely that the fact that these customers are on the Entity List would have affected the legality of any of the transactions entered into between the Group and these customers. Revenue generated from transactions with these six customers accounted for only approximately 0.212% of our Group's total revenue, during the Track Record Period;

b. of the seven of our suppliers who have been listed, with which we had dealings during the Track Record Period, only one was placed on the Entity List prior to or at the time of each relevant sourcing arrangement. In addition, all of our suppliers had confirmed that none of the technology supplied for use by us in our business activities was subject to U.S. export controls. Accordingly, it is unlikely that the fact that these suppliers are on the Entity List would have affected the legality of any of the transactions entered into between the Group and these suppliers. In terms of quantum, the amounts paid by us to these seven suppliers accounted for approximately 6.19% of the amounts paid by the Group to its suppliers during the Track Record Period;

c. of the four suppliers of Yangzhou Chiplet who have been listed, with which Yangzhou Chiplet had dealings during the Track Record Period, only three were placed on the Entity List prior to or at the time of each relevant sourcing arrangement. To our knowledge, none of the items, equipment and technology supplied by these suppliers to Yangzhou Chiplet was subject to U.S. export controls. Accordingly, as above, it is unlikely that the fact that these suppliers are on the Entity List would have affected the legality of any of the transactions entered into between the Group and these suppliers. In terms of quantum, the payments made by Yangzhou Chiplet to these four suppliers accounted for only approximately 1.20% of the amounts paid by the Group to its suppliers during the Track Record Period;

d. we would note that, in relation to b. and c., the payments made by the Group to the seven identified suppliers accounted for only approximately 7.39% of the amounts paid by the Group to its suppliers during the Track Record Period.

(g) in principle, our customers' products might subsequently be sold in the U.S. market. However: (i) as above, we were not aware of any indication that such products were subject to U.S. export controls (including any end-user or end-use controls under U.S.

export control laws) and the services we performed did not require us to provide any products subject to U.S. export controls; (ii) we were not involved in any such subsequent exports, re-exports or transfers of the products, which were arranged by our customers, and we had no knowledge of the ultimate recipients; and (iii) no information came to our attention suggesting a violation of the EAR had occurred, was about to occur or was intended to occur. In any event, the fact that the Group has transacted with customers and suppliers that have been placed on the Entity List (as identified above) does not in and of itself affect the legality of any onward sale to the U.S. market. On this basis, as advised by the International Sanctions and Export Control Legal Advisors, we consider any indirect exposure to and impact on the Group as a result of any onward U.S. sales to be remote, if any; and

(h) based on the party screening undertaken by the International Sanctions and Export Control Legal Advisors, none of the Group's suppliers or customers has been designated as sanctioned persons under any sanctions laws.

For completeness, during a very brief period between September 29, 2025 and November 10, 2025, when the BIS' 'Affiliates Rule' was in effect, entities 50% or more owned by entities listed on the Entity List were also treated as designated as entities on the Entity List, and any application for licenses to export, re-export or in-country transfer items subject to U.S. export controls to them would also in principle be denied by the BIS. Based on the screening undertaken by the International Sanctions and Export Control Legal Advisors, certain customers with which we engaged in transactions during this period were potentially identified to be 50% or more owned by entities on the Entity List pursuant to the Affiliates Rule. However, to our knowledge, none of these customers' products which we were instructed to service in the PRC was subject to any export controls (including U.S. export controls). Accordingly, it is unlikely that the fact that these customers might be treated as restricted parties during that period would have any bearing on the legality of the underlying transactions. The Affiliates Rule has since been suspended for a year effective from November 10, 2025, and potentially will further be suspended until January 10, 2027. Therefore, despite the enactment of the Affiliates Rule and its suspension, the Company does not expect this change in policy to have a material impact on the business or operations of our Group even if the suspension were to be lifted, assuming there are no material changes to the Affiliates Rule and its implementation in the meantime.

For the same reasons, the continued tightening of export controls of the U.S.'s advanced semiconductor technologies and manufacturing capabilities is not likely to have a material adverse impact on our business operations, assuming that we will continue to adopt the business model adopted in the Track Record Period. We remain well-positioned to continue serving our customers relying on our domestic supply chain and operations and anticipate being able to continue expanding our local operations in the PRC without significant challenges.

Notwithstanding the above, given the broadened use of export controls and designations by the BIS of Chinese companies on its restricted party lists including the Entity List, our International Sanctions and Export Control Legal Advisors have advised that we continue to enhance our compliance measures to enable us to know not just our customers but also their products which we are instructed to service, so as to mitigate the risks of inadvertently violating applicable sanctions and export controls. In particular: (a) We have introduced the following enhanced measures since October 2025, including: (i) creating a dedicated compliance function within our legal department to oversee our Group's compliance with all applicable sanctions and export controls, including in relation to its sales and procurement activities; (ii) implementing mechanisms to identify any sanctions and restricted party risks arising from our Group's third party relationships and business activities, including introducing internal capabilities to screen our Group's customers and suppliers; and (iii) instructing external trade compliance and internal control advisers to provide guidance to our Group in developing and introducing global trade compliance policies and guidance so as to raise employee awareness at a Group-wide level; and (b) We are also considering to implement other measures to strengthen our trade compliance capabilities, including: (i) providing regular

training to relevant personnel on sanctions and export controls compliance obligations; (ii) implementing mechanisms to identify any export control risks arising from the products that our Group is instructed to service, including introducing internal product classification capabilities; and (iii) strengthening and mandating the incorporation of standard terms and conditions in our Group's contracts with customers and suppliers.

Based on the due diligence performed by the Sole Sponsor and having taken into account (i) the enhanced internal control measures implemented by our Group, (ii) the views of the International Sanctions and Export Control Legal Advisors, and (iii) the findings and conclusions of our internal control consultant, the Sole Sponsor is of the view that it has not identified any issues which would reasonably cause it to cast doubt on the adequacy and effectiveness of our internal control system relating to sanctions and export control in any material respect.

U.S. OUTBOUND INVESTMENT RULE IMPLICATIONS

On October 28, 2024, the Treasury issued the Outbound Investment Rule, to implement Executive Order 14105 of August 9, 2023, which became effective on January 2, 2025. For an overview of the Outbound Investment Rule, see "Regulatory Overview — U.S. Outbound Investment Rule".

As advised by the International Sanctions and Export Control Legal Advisors, as a PRC-incorporated company engaged in the packaging of ICs using advanced packaging techniques that meet specifications prescribed in the Outbound Investment Rule (specifically, the packaging of ICs in a manner that supports the two-and-one-half-dimensional (2.5D) or three-dimensional (3D) assembly of ICs), our business activities constitute "covered activities", we are a "covered foreign person", and a U.S. person's investment in us will be regarded as a "covered transaction", and specifically a "prohibited transaction", unless any available exception applies. In principle, U.S. person investors will be prohibited from making certain investments in us, including in the form of acquisitions of equity interests that are not yet publicly traded, certain debt financing, joint ventures, and certain investments as a limited partner in a non-U.S. person pooled investment fund. We understand that U.S. persons would be prohibited from participating in the purchase of and acquiring shares in the Global Offering if such shares are not publicly available and purchased from a securities exchange.

Notwithstanding the above, as advised by the International Sanctions and Export Control Legal Advisors, we are of the view that the Outbound Investment Rule is not expected to have any material adverse impact on the Group, the Global Offering or any investment prospects, for the following reasons:

(a) As at the end of the Track Record Period, we are not aware of any U.S. person holding any investment interests in the Company.

(b) In light of the Outbound Investment Rule and latest regulatory guidance, we are of the view, as advised by the International Sanctions and Export Control Legal Advisors, that at the time any U.S. person acquires our H Shares (which, in the absence of further regulatory guidance, may reasonably be interpreted as occurring upon settlement at the specific time on the Listing Date) in the Global Offering, such shares would be publicly listed and tradable, and therefore the aforementioned acquisition of our H Shares, which would otherwise be a covered transaction, may constitute an excepted transaction, assuming the U.S. person would not also be afforded rights beyond standard minority shareholder protections.

(c) Accordingly, upon completion of the Global Offering, it is expected that a U.S. person will be able to invest in our publicly traded H Shares based on the publicly traded securities exception, as long as the investments made do not afford the U.S. person rights beyond standard minority shareholder protections.

(d) Where no available exception applies to a covered transaction involving the Company, the prohibition or notification requirement to Treasury rests in any event with the U.S. person, and not the Company or any other parties in relation to the Global Offering. There is no reporting or other obligation imposed on us under the Outbound Investment Rule in connection with the Global Offering.

(e) During the Track Record Period, we did not experience any incident relating to the Outbound Investment Rule that resulted in any material adverse impact on our operations or investment activities. For the foregoing reasons, we do not expect the Outbound Investment Rule to have any material adverse impact on any investment prospects of the Group.

Based on the due diligence performed by the Sole Sponsor and having taken into account the views of the International Sanctions and Export Control Legal Advisors, the Sole Sponsor is of the view that the Outbound Investment Rule will not have any material adverse impact on the Group's operations, financial performance, Global Offering or investment prospects.

See also "Risk Factors — Risks Relating to Our Business and Industry — We are exposed to risks associated with the Outbound Investment Rule that prohibit and require notification by U.S. persons for certain investments".

OVERVIEW

As of the Latest Practicable Date, (i) Mr. Zhang Guodong was directly interested in approximately 5.38% of the equity interest in our Company; (ii) Mr. Pan Mingdong was directly interested in approximately 3.01% of the equity interest in our Company; (iii) Mr. Liu Yi was directly interested in approximately 1.04% of the equity interest in our Company; (iv) Nanjing Ningtaixin Enterprise Consulting Management Partnership Enterprise (Limited Partnership)* (南京寧泰芯企業諮詢管理合夥企業(有限合夥)) ("**Ningtaixin**"), a limited partnership established under the laws of the PRC on September 9, 2020, was directly interested in approximately 9.49% of the equity interest in our Company; and (v) Ningbo Meishan Bonded Port Area Ningpuxin Enterprise Management Partnership Enterprise (Limited Partnership)* (寧波梅山保税港區寧浦芯企業管理合夥企業(有限合夥)) ("**Ningpuxin**"), a limited partnership established under the laws of the PRC on October 8, 2022, was directly interested in approximately 6.02% of the equity interest in our Company.

As of the Latest Practicable Date, Mr. Zhang Guodong was the general partner of Ningtaixin and Ningpuxin. As such, Mr. Zhang Guodong is deemed to have *de facto* control in Ningtaixin and Ningpuxin, and hence is the controller of Ningtaixin and Ningpuxin. Accordingly, Mr. Zhang Guodong is deemed to be interested in Shares of our Company held by Ningtaixin and Ningpuxin for the purpose of the SFO.

Pursuant to the concert party agreement dated June 8, 2023 entered into by and between Mr. Zhang Guodong, Mr. Pan Mingdong, Mr. Liu Yi, Ningtaixin and Ningpuxin, the parties acknowledged that (i) they shall consult each other in respect of any decision relating to the business operation and corporate governance of the Company and reach consensus before voting unanimously at the general meetings of the Company, and (ii) where consensus cannot be reached between the parties, parties shall follow the instructions of Mr. Zhang Guodong. It is expected that the concert party agreement will remain effective at Listing and for an initial period of five years following our Company's listing on any stock exchange, and will be automatically renewed upon expiry of such five-year period without any further action by the parties.

Therefore, Mr. Zhang Guodong, Mr. Pan Mingdong, Mr. Liu Yi, Ningtaixin and Ningpuxin held in aggregate approximately 24.95% of the equity interest in our Company, and are considered the single largest group of Shareholders of our Company (our "**Single Largest Group of Shareholders**") before Listing.

Mr. Zhang Guodong is our executive Director and the chairman of our Board, while Mr. Pan Mingdong and Mr. Liu Yi are executive Directors. For further information on their biographical details, see "Directors, Supervisor and Senior Management — Directors" in this prospectus.

Immediately upon the completion of the Global Offering (without taking into account any Shares to be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme), our Single Largest Group of Shareholders will be interested in and control approximately 22.45% of the total issued share capital of our Company and it is expected that they will remain as the single largest group of Shareholders in our Company.

COMPETITION

As of the Latest Practicable Date, each member in our Single Largest Group of Shareholders confirmed that they did not have any interest in any business, other than our business, which competes or is likely to compete, either directly or indirectly, with our Group's business which would require disclosure under Rule 8.10 of the Listing Rules.

INDEPENDENCE FROM OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Having considered the following factors, our Directors are satisfied that we are capable of carrying on our business independently of our Single Largest Group of Shareholders and their close associates after Listing.

Management independence

Our Company is capable of making our own management decisions independent from Single Largest Group of Shareholders. Our Board currently comprises four executive Directors, two non-executive Directors and three independent non-executive Directors. Although each of Mr. Zhang Guodong, Mr. Pan Mingdong and Mr. Liu Yi, being part of our Single Largest Group of Shareholders, are executive Directors, and Mr. Zhang Guodong is the chairman of our Board, our management decisions are made by the Board in a collective manner, such that management independence will not be compromised. Further, three out of nine Directors are independent non-executive Directors and certain matters of our Company must always be referred to the independent non-executive Directors for review and independent judgment.

In addition, our Directors consider that each of our Directors and senior management are aware of his/her fiduciary duties as a director which require, among other things, that he/she acts for the benefit and in the interest of our Company and does not allow any conflict between his/her duties as a Director and his/her personal interests. Further, our daily management and operations are carried out by a senior management team, all of whom have substantial experience in the industry in which our Company is engaged, and will therefore be able to make business decisions that are in the best interests of our Group.

In the event that any Director or any of his/her close associates has a material interest in any transaction or arrangement or there is an actual or potential conflict of interest arising out of any transaction or arrangement to be entered into between our Group and any of our Directors or their respective associates, such Director(s) shall fully disclose such matters to our Board and abstain from voting at the relevant meeting of our Board in respect of such transactions and shall not be counted in the quorum.

Our Company has also adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and our Single Largest Group of Shareholders, which would support our independent management. For further information, see "— Corporate Governance Measures" in this section for further details.

Operational independence

Our Company is capable of making our own operational decisions and carrying out our own business operations independently. We are operationally independent from our Single Largest Group of Shareholders and have structured our Company with distinct departments, including but not limited to our Planning Department (企劃處), Business Management Department (企管處), Human Resources Department (人事處), Supply Chain Management Department (供應鏈管理處), Quality Management Department (品質管制處), Finance Department (財務處), Information Technology Department (信息技術處), Engineering Research Institute (工程研究院) and Sales Center (銷售中心) to carry out their respective functions.

We have independent access to our customers and suppliers and are also in possession of all relevant licenses, intellectual properties, R&D facilities and qualifications necessary to carry on and operate our current business. We also have sufficient operational capacity in terms of capital, facilities, technology and employees to operate independently from our Single Largest Group of Shareholders and their respective close associates. Based on the above, our Directors are of the view that we are operationally independent from our Single Largest Group of Shareholders and their respective close associates following the completion of the Global Offering.

Financial independence

Our Company has a financial system independent from our Single Largest Group of Shareholders and we make financial decisions according to our Group's own business needs. We have independent internal control and accounting systems and an independent Finance Department (財務處) for discharging treasury, accounting and reporting functions.

We do not expect to rely on our Single Largest Group of Shareholders or their close associates for financing after the Listing as we expect that our working capital will be funded by cash flows generated from operating activities as well as the proceeds from the Global Offering. In any event, we are capable of obtaining financing from third parties, if necessary, without reliance on our Single Largest Group of Shareholders.

During the Track Record Period and up to the Latest Practicable Date, certain of the Group's bank loans and finance leases were guaranteed by members of our Single Largest Group of Shareholders through personal guarantees (the "**Guaranteed Loans**"). Our Directors confirm that no consideration was payable or will be payable to our Single Largest Group of Shareholders for the provision of such Guaranteed Loans. As at the Latest Practicable Date, the aggregate principal amount of the Guaranteed Loans amounted to RMB527,329,986. For details of the Guaranteed Loans, see the section headed "Connected Transactions" in this prospectus. In addition, for details on our other outstanding bank loans and credit facilities, see "Financial Information — Indebtedness" and Note 28 to the Accountants' Report in Appendix I of this prospectus.

The Directors are of the view that early replacement or discharge of the Guaranteed Loans would be extremely cumbersome and require the renegotiation of the terms with the relevant banks and financial institutions. In addition, the renegotiated terms of the loans without guarantees would generally be less favorable than those offered by the same banks and financial institutions that have the benefit of the Guaranteed Loans, the majority of which are at the low end of the PBOC published base lending rate of 3.0% per annum and 3.5% per annum for loan tenures shorter than one-year and over-five-years, respectively as at the Latest Practicable Date.

Further, to demonstrate that our Company does not rely on the Single Largest Group of Shareholders to obtain financing, our Company has obtained new independent facilities from 13 lenders (including banks and financial institutions) with a total credit limit of approximately RMB579.5 million without any guarantee or credit support from the Single Largest Group of Shareholders or their Connected Persons. In addition, we obtained a project loan (the "**Alternative Loan**") in an aggregate principal amount of approximately RMB650 million from eight PRC licensed banks in May 2026, which does not require guarantees or credit support from our Single Largest Group of Shareholders or any of their close associates. The terms of the Alternative Loan are similar to the terms of the Guaranteed Loans.

Due to the reasons set out above and the nature of the Guaranteed Loans, of which the majority of its terms are relatively short, we will not prematurely replace or discharge the Guaranteed Loans. Nevertheless, we undertake to release the Guaranteed Loans upon maturity and/or replace the Single Largest Group of Shareholders with corporate guarantees to be provided by members of the Group upon maturity of the Guaranteed Loans, which our Directors believe is in the best interests of the Company and the Shareholders as a whole.

Based on the above, our Directors are of the view that we are financially independent from Single Largest Group of Shareholders and their respective close associates following the completion of the Global Offering.

CORPORATE GOVERNANCE MEASURES

Our Company and our Directors will comply with the provisions of the Corporate Governance Code set out in Appendix C1 to the Listing Rules, which sets out principles of good corporate governance. We recognize the importance of good corporate governance in the protection of our Shareholders' interests and are committed to upholding and implementing the highest standards of corporate governance. We have adopted the following measures to safeguard good corporate governance standards and to avoid potential conflict of interests between our Group and our Single Largest Group of Shareholders:

(i) we are dedicated to maintaining a balanced composition of executive, non-executive and independent non-executive Directors on our Board. In particular, we have appointed three independent non-executive Directors, which we believe possess substantial experience and are free of any business and/or other relationship which could interfere in any material manner with the exercise of their independent judgment. As such, our independent non-executive Directors will be able to provide an impartial and external opinion to protect the interests of our public Shareholders. For more information, see "Directors, Supervisor and Senior Management — Directors";

(ii) our Group has established internal control mechanisms to identify connected transactions. Our Company will comply with the requirements in relation to connected transactions under the Articles of Association and the Listing Rules upon Listing including, where appropriate, the reporting, annual review by the independent non-executive Directors, announcement and independent shareholders' approval;

(iii) under the Articles of Association, where a Shareholders' meeting is to be held for considering proposed transactions in which our Single Largest Group of Shareholders or any of their respective close associates has a material interest, our Single Largest Group of Shareholders will abstain from voting on the resolutions and shall not be counted in the quorum in the voting;

(iv) our Directors will operate in accordance with the Articles which require the interested Director not to vote (nor be counted in the quorum) on any resolution of our Board approving any contract or arrangement or other proposal in which he/she or any of his/her close associates is materially interested except as permitted by the Articles;

(v) our Single Largest Group of Shareholders will undertake to provide all information necessary or requested by the independent non-executive Directors for the annual review, including all relevant financial, operational and market information;

(vi) our Company will disclose decisions (with basis) on matters reviewed by the independent non-executive Directors either in its annual report or by way of announcements as required by the Listing Rules;

(vii) where our Directors reasonably request the advice of independent professionals, such as financial advisers, the appointment of such independent professionals will be made at our Company's expenses;

(viii) we have established our Audit Committee, Remuneration and Evaluation Committee, and Nomination Committee with written terms of reference in compliance with the Listing Rules and the Code of Corporate Governance in Appendix C1 to the Listing Rules; and

(ix) we have appointed Quam Capital Limited as our compliance advisor, which will provide advice and guidance to us in respect of compliance with the applicable laws and the Listing Rules, including various requirements relating to directors' duties and internal controls.

Based on the above, our Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest that may arise between our Group and our Single Largest Group of Shareholders, and to protect our minority Shareholders' interests after the Listing.

OVERVIEW

Following the completion of the Global Offering, our Company will continue to have certain transactions with certain parties that constitute continuing connected transactions within the meaning of the Listing Rules.

CONNECTED PERSONS

The following persons, with whom we intend to continue to have transactions in our ordinary course of business upon the Listing, will become our connected persons upon Listing (each a "**Connected Person**" and collectively, our "**Connected Persons**"):

Name of our Connected Persons	Connected Relationship
Mr. Zhang Guodong (張國棟) . . . Mr. Pan Mingdong (潘明東) . . . . Mr. Liu Yi (劉怡) . . . . . . Dr. Long Xinjiang (龍欣江)	These persons are our Directors and are connected persons at the issuer level within the meaning under the Listing Rules. In addition, Mr. Zhang Guodong, Mr. Pan Mingdong and Mr. Liu Yi are members of our Single Largest Group of Shareholders.
Ms. Wang Linxia (王林霞)	Ms. Wang Linxia is the spouse of Mr. Zhang Guodong, our Director, and is by nature of spousal relationship considered an associate of Mr. Zhang Guodong. Accordingly, Ms. Wang Linxia is considered a connected person at the issuer level within the meaning under the Listing Rules.

SUMMARY OF OUR CONTINUING CONNECTED TRANSACTIONS

Our Company entered into loan agreements ("**Guaranteed Loan Agreements**") with various banks and financial institutions, all of which were Independent Third Parties, to finance our business activities. As part of the loan arrangements under the Guaranteed Loan Agreements, our Connected Persons, the Single Largest Group of Shareholders, acted as guarantors with respect to our Company's obligations as borrower under the Guaranteed Loan Agreements, and provided personal guarantees in favor of our Company in respect of the Guaranteed Loans at nil consideration. The guarantees provided by the Single Largest Group of Shareholders (the "**SLGS Guarantees**") constitute financial assistance provided by connected persons of our Company for the benefit of the Group under Rule 14A.90 of the Listing Rules, and are considered our continuing connected transactions within the meaning of the Listing Rules. The SLGS Guarantees were subsisting as at the Latest Practicable Date and are, subject to their respective maturity dates, expected to survive after Listing.

Set out below is a brief summary of the principal terms of the Guaranteed Loans (including the SLGS Guarantees) as of the Latest Practicable Date, as well as the waivers from strict compliance with the relevant requirements of the Listing Rules that we have received from the Stock Exchange (if any):

No.	Name of Lender/Mortgagee	Borrower/ Mortgagor	Commencement Date	Maturity Date	Interest Rate	Principal amount	Outstanding principal amount	Guarantees provided by the Single Largest Group of Shareholders	Waiver sought
						(RMB)	*(RMB)*		
1.	Bank of Shanghai Co., Ltd. Nanjing Branch (上海銀行股份有限公司南京分行)	Our Company	June 19, 2025	May 15, 2028	3.10%	119,000,000.00	119,000,000.00	Personal guarantees provided by our Connected Persons, namely Mr. Zhang Guodong and Ms. Wang Linxia	None
2.	Industrial and Commercial Bank of China Limited, Jiangsu Branch, Nanjing Branch, Jiangbei New District Subbranch (中國工商銀行股份有限公司江蘇分行南京分行江北新區分行) ("**ICBC**")	Our Company	December 9, 2024	November 20, 2029	3.25%	74,629,986.00	71,069,986.00	Personal guarantees provided by our Connected Persons, namely Mr. Zhang Guodong and Mr. Pan Mingdong	None
3.	China Everbright Bank Co., Ltd. Nanjing Branch (中國光大銀行股份有限公司南京分行) ("**CEB Nanjing**")	Our Company	July 25, 2025	July 24, 2027	2.80%	30,000,000.00	30,000,000.00	Personal guarantees provided by our Connected Persons, namely Mr. Zhang Guodong and Ms. Wang Linxia	None
4.	CEB Nanjing	Our Company	August 19, 2025	August 18, 2027	2.80%	20,000,000.00	20,000,000.00	Personal guarantees provided by our Connected Persons, namely Mr. Zhang Guodong and Ms. Wang Linxia	None
5.	Bank of Nanjing Co., Ltd. Jiangbei New District Subbranch (南京銀行股份有限公司江北新區支行)	Our Company	October 17, 2023	October 16, 2026	3.00%	100,000,000.00	25,000,000.00	Personal guarantee provided by our Connected Person, namely Mr. Zhang Guodong	None
6.	JIC Leasing Co., Ltd. (中建投租賃股份有限公司)	Our Company	June 3, 2024	June 3, 2027	Floating interest rate[(1)]	50,000,000.00	21,579,249.37	Personal guarantees provided by our Connected Persons, namely Mr. Zhang Guodong; Mr. Pan Mingdong; and Mr. Liu Yi	None

No.	Name of Lender/Mortgagee	Borrower/ Mortgagor	Commencement Date	Maturity Date	Interest Rate	Principal amount	Outstanding principal amount	Guarantees provided by the Single Largest Group of Shareholders	Waiver sought
						(RMB)	*(RMB)*		
7. . .	Xinxin Financial Leasing Co., Ltd.* (芯鑫融資租賃有限公司) ("**Xinxin Financial**")	Our Company	July 16, 2025	July 16, 2028	Floating interest rate[(2)]	27,700,000.00	20,755,000.01	Personal guarantees provided by our Connected Persons, namely Mr. Zhang Guodong and Ms. Wang Linxia	None
8. . .	Xinxin Financial	Our Company	May 29, 2025	May 29, 2028	Floating interest rate[(3)]	50,000,000.00	37,499,999.99	Personal guarantees provided by our Connected Persons, namely Mr. Zhang Guodong and Ms. Wang Linxia	None
9. . .	Xinxin Financial	Our Company	September 23, 2025	September 23, 2028	Floating interest rate[(4)]	56,000,000.00	46,666,666.63	Personal guarantees provided by our Connected Persons, namely Mr. Zhang Guodong and Ms. Wang Linxia	None

Notes:

(1) The initial interest rate was fixed at 4.23% per annum. The interest rate will be adjusted every 12 months based on the prevailing 5-year Loan Prime Rate published by the PBOC in the month preceding the month of the commencement date, plus 28 basis points.

(2) The initial interest rate was fixed at 4.11% per annum. The interest rate will be adjusted every 12 months based on the prevailing 1-year Loan Prime Rate published by the PBOC in the month preceding the month of the commencement date, plus a fixed spread of 111 basis points.

(3) The initial interest rate was fixed at 4.31% per annum. The interest rate will be adjusted every 12 months based on the prevailing 1-year Loan Prime Rate published by the PBOC at that time, plus a fixed spread of 131 basis points.

(4) The initial interest rate was fixed at 3.90% per annum. The interest rate will be adjusted every 12 months based on the prevailing 1-year Loan Prime Rate published by the PBOC at that time, plus a fixed spread of 90 basis points.

As at the Latest Practicable Date, the aggregate principal amount of the Guaranteed Loans amounted to RMB527,329,986, with an annual interest rate between 2.50% and 3.25%. The aggregate outstanding principal amounts of the Guaranteed Loans as at the Latest Practicable Date amounted to RMB391,570,902.

EXEMPT CONTINUING CONNECTED TRANSACTIONS

Pursuant to Rule 14A.90 of the Listing Rules, financial assistance received by a company from its connected person is fully exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under Rule 14A.33 of the Listing Rules if:

(i) it is conducted on normal commercial terms or better; and

(ii) it is not secured by the assets of such company.

After completion of the Global Offering, the abovementioned SLGS Guarantees will be regarded as continuing connected transactions that are fully exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under Rule 14A.33 of the Listing Rules since (i) the SLGS Guarantees are provided on normal commercial terms, and (ii) no security over our Company's assets was granted in respect of the SLGS Guarantees.

With respect to the abovementioned Guaranteed Loans, we do not propose to discharge the SLGS Guarantees prior to Listing and we intend to keep the Guaranteed Loan Agreements until their expiration. The early discharge of the SLGS Guarantees would require extensive renegotiation with multiple banks and financial institutions, thus would be an unduly burdensome and cost-ineffective exercise for our Company. Given that our Company has the ability to obtain financing independent of our Connected Persons, we are of the view that we are able to operate independently from our Connected Persons from a financial perspective, notwithstanding the existence of the abovementioned Guaranteed Loans.

DIRECTORS' VIEW

Our Directors (including the independent non-executive Directors) are of the view that (i) the continuing connected transactions described above have been entered into in the ordinary and usual course of our business and on normal commercial terms or better, and (ii) the terms of the continuing connected transactions described above are fair and reasonable and in the interest of our Group and Shareholders as a whole.

SPONSORS' VIEW

Based on the documentation and data provided by the Company and participation in the due diligence and discussion with the Company, the Sole Sponsor is of the view that: (i) the continuing connected transactions set out above have been entered into in the Company's ordinary and usual course of business on normal commercial terms or better; and (ii) the terms of the continuing connected transactions are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

OVERVIEW

The Board of our Company consists of nine Directors, including four executive Directors, two non-executive Directors and three independent non-executive Directors, which are responsible and have the general authority for the management and operation of our Company. The Directors are appointed for a term of three years and are eligible for re-election upon expiry of their term of office.

The senior management of our Company consists of five members and are responsible for the day-to-day management and operation of our Company.

DIRECTORS

The following table sets forth certain information about our Directors:

Name	Age	Position(s)	Roles and responsibilities	Date of joining our Group	Date of appointment as a Director	Relationships with other Directors and senior management
Executive Directors						
Mr. Zhang Guodong (張國棟)	47	Chairman of our Board, executive Director	Responsible for the overall decision-making, management, R&D, marketing and strategic planning of our Group	April 2021	June 2021	None
Mr. Pan Mingdong (潘明東)	47	Executive Director, general manager	Responsible for factory operations and administration of our Group	September 2020	September 2020	None
Mr. Liu Yi (劉怡)	47	Executive Director, deputy general manager	Responsible for the overall management and operation of integrated circuit packaging and testing	November 2022	June 2024	None
Dr. Long Xinjiang (龍欣江)	47	Executive Director (employee representative Director), deputy general manager	Responsible for bumping and wafer-level packaging and testing	April 2021	August 2021	None
Non-executive Directors						
Ms. Yu Xiaolin (于曉琳)	49	Non-executive Director	Responsible for providing advice to the Board and facilitating communication between shareholders and management	August 2021	August 2021	None
Ms. Wang Chuxuan (王楚璇)	28	Non-executive Director	Responsible for providing advice to the Board and facilitating communication between shareholders and management	December 2023	December 2023	None

Name	Age	Position(s)	Roles and responsibilities	Date of joining our Group	Date of appointment as a Director	Relationships with other Directors and senior management
Independent non-executive Directors						
Ms. Jiao Jie (焦捷) . . .	46	Independent non-executive Director	Responsible for supervising and providing independent opinions and judgments to the Board	October 2025	October 2025 (with effect from the date of this prospectus)	None
Dr. Wang Xiaomu (王肖沐) . .	42	Independent non-executive Director	Responsible for supervising and providing independent opinions and judgments to the Board	October 2025	October 2025 (with effect from the date of this prospectus)	None
Mr. Li Quanxing (李全興) . .	47	Independent non-executive Director	Responsible for supervising and providing independent opinions and judgments to the Board	October 2025	October 2025 (with effect from the date of this prospectus)	None

Executive Directors

Mr. Zhang Guodong (張國棟), aged 47, the chairman of the Board and an executive Director, has been serving as (i) the chairman of the Board, (ii) a director of the Company since June 2021, and (iii) the chairman of the board of Yangzhou Chiplet Semiconductor Integration Co., Ltd.* (揚州芯粒集成電路有限公司) since February 2023. Mr. Zhang Guodong is primarily responsible for the overall decision-making, management, R&D, marketing and strategic planning of our Group. Mr. Zhang Guodong has been a key driving force in strategic and business development of our Company.

Mr. Zhang Guodong has over 20 years of experience in the semiconductor industry. Prior to establishing the Group, Mr. Zhang Guodong worked at Jiangyin Changdian Advanced Packaging Co., Ltd. (江陰長電先進封裝有限公司) from April 2004 to November 2020, where he last served as a director.

Mr. Zhang Guodong obtained a bachelor's degree from Southeast University (東南大學) in the PRC in June 2001. Mr. Zhang Guodong was also qualified as a licensed senior engineer accredited by the Senior Professional Title Evaluation Committee for High-level and Urgently Needed Talents of Jiangsu Province* (江蘇省高層次和急需緊缺人才高級職稱考核認定委員會) in August 2021.

Mr. Zhang Guodong was a recipient of various awards over the years, including (i) the third-level training target of the High-level Talent Training Plan of Jiangsu Province (333 Engineering Talents) (江蘇省高層次人才培養計劃(333工程人才)第三層次培養對象) awarded by the Office of the Talent Work Leading Group of the Jiangsu Provincial Committee of the Communist Party of China (中共江蘇省委人才工作領導小組辦公室) in 2024; (ii) the Zijinshan Talent Program Innovative Entrepreneur Project (紫金山英才計劃創新型企業家項目) awarded by the Talent Work Leading Group of the Nanjing Municipal Committee of the Communist Party of China (中共南京市委人才工作領導小組) in 2023; (iii) The 6th Nanjing City Outstanding Builder of Socialism with China Characteristics (第六屆南京市優秀中國特色社會主義事業建設者) awarded

by Nanjing Municipal People's Government (南京市人民政府) in 2023; (iv) 2021 Advanced Individuals in High-Quality Development in Pukou District (2021年度浦口區高質量發展先進個人) awarded by Pukou District People's Government of Nanjing City (南京市浦口區人民政府) in 2022; and (v) 2009 Jiangsu Province Science and Technology Progress Award (2009年江蘇省科學技術進步獎) awarded by Jiangsu Provincial People's Government (江蘇省人民政府) in 2010.

Mr. Pan Mingdong (潘明東), aged 47, an executive Director and the general manager of our Company, has been serving as a (i) director since our establishment; (ii) general manager of the Company since June 2021; (iii) a director at Yangzhou Chiplet Semiconductor Integration Co., Ltd.* (揚州芯粒集成電路有限公司) since February 2023 and (iv) the executive director of Jiangsu Silicon Integrity Semiconductor Technology Co., Ltd. Integrated Circuit Manufacturing Branch* (江蘇芯德半導體科技有限公司集成電路製造分公司) in our Group. Mr. Pan Mingdong is primarily responsible for factory operations and administration of our Group.

Mr. Pan Mingdong has over 20 years of experience in the semiconductor packaging industry. Prior to joining the Group, Mr. Pan Mingdong worked at Changdian Electronics Technology (Suqian) Co., Ltd. (長電科技(宿遷)有限公司) from August 2001 to August 2020 where he served as senior engineer and department deputy general manager. Mr. Pan Mingdong previously also served as executive director, general manager and legal representative of Jiangsu Ningpuxin Enterprise Management Co. Ltd. (江蘇寧浦芯企業管理有限公司), a limited company established under the laws of the PRC, which was dissolved in November 2020.

Mr. Pan Mingdong obtained (i) a bachelor's degree in mechanical design, manufacturing and automation from Jiangnan University (江南大學) in the PRC in July 2001; and (ii) a master's degree in engineering in the field of electronics and communication engineering from Jiangsu University of Science and Technology (江蘇科技大學) in the PRC in April 2014. Mr. Pan Mingdong was also qualified as a licensed senior engineer accredited by Senior Professional Technical Qualification Evaluation Committee for Electronic Information Engineering of Jiangsu Province* (江蘇省電子信息工程高級專業技術資格評審委員會) in November 2019.

Mr. Pan Mingdong was a recipient of various awards over the years, including (i) 2016 Second Prize in the Jiangsu Province Science and Technology Award* (2016年度江蘇省科學技術獎二等獎) awarded by the Jiangsu Provincial People's Government (江蘇省人民政府) in February 2017; (ii) First Prize in the Electronic Information, Science and Technology Award of the Chinese Institute of Electronics* (中國電子學會電子資訊科學技術獎一等獎) awarded by the Chinese Institute of Electronics (中國電子學會) in December 2009; (iii) the third-level training target of the High-level Talent Training Plan of Jiangsu Province (333 Engineering Talents)* (江蘇省高層次人才培養計劃(333工程人才)第三層次培養對象) awarded by the Office of the Talent Work Leading Group of the Jiangsu Provincial Committee of the Communist Party of China (中共江蘇省委人才工作領導小組辦公室) in November 2024; and (iv) Zijinshan Talents Jiangbei Mingzhu Plan High-level Innovation and Entrepreneurship Talent Project* (紫金山英才江北明珠計劃高層次創新創業人才項目) awarded by the Talent Work Leading Group of the Nanjing Municipal Committee of the Communist Party of China (中共南京市委人才工作領導小組) in September 2021.

Mr. Liu Yi (劉怡), aged 47, an executive Director and a deputy general manager of our Group, has been serving as a (i) director; and (ii) deputy general manager of our Company since June 2024. Mr. Liu Yi is primarily responsible for the overall management and operation of integrated circuit packaging and testing.

Mr. Liu Yi has extensive experience in the semiconductor industry. Mr. Liu Yi first joined the Company in November 2022 as a deputy general manager. Prior to joining the Group, Mr. Liu Yi worked at (i) a group company of ASE Group (日月光集團) from July 2005 to March 2011; (ii) Jiangsu Changjiang Electronics Technology Co., Ltd. (江蘇長電科技股份有限公司) from November 2018 to September 2020; (iii) Changdian Management Technology Co., Ltd. (長電科技管理有限公司) from October 2020 to September 2021; and (iv) Shenzhen Fulan Micro Technology Co., Ltd.* (深圳富瀾微科技有限公司) from October 2021 to March 2022.

Mr. Liu Yi obtained (i) a bachelor's degree in chemical engineering and technology from Hefei University of Technology (合肥工業大學) in the PRC in June 2002; and (ii) a master's degree in chemical technology from Hefei University of Technology (合肥工業大學) in the PRC in June 2005. Mr. Liu Yi was also qualified as a licensed senior engineer accredited by the Department of Human Resources and Social Security of Jiangsu Province (江蘇省人力資源和社會保障廳) in October 2023.

Mr. Liu Yi was recognized by Jiangyin City as the city's model in science and technology innovation (江陰市科技創新標兵) in 2015.

Dr. Long Xinjiang (龍欣江), aged 47, the employee representative Director and a deputy general manager of our Group, has been serving as a (i) director since August 2021; and (ii) deputy general manager of the Company since April 2021. Dr. Long Xinjiang is primarily responsible for bumping and wafer-level packaging and testing.

Dr. Long Xinjiang has over 20 years of experience in the semiconductor packaging industry. Prior to joining the Group, Dr. Long Xinjiang worked at Jiangyin Changdian Advanced Packaging Co., Ltd. (江陰長電先進封裝有限公司) from December 2005 to November 2020 where he last served as factory director and deputy general manager of production.

Dr. Long Xinjiang obtained (i) a bachelor's degree in material science and engineering from Wuhan University of Technology (武漢理工大學) in the PRC in June 2002; (ii) a master's degree in material science from Wuhan University of Technology (武漢理工大學) in the PRC in June 2005; and (iii) a Ph.D degree in advanced manufacturing engineering from Southeast University (東南大學) in the PRC in June 2020. Dr. Long Xinjiang was also qualified as a licensed senior microelectronics engineer accredited by Department of Human Resources and Social Security of Jiangsu Province (江蘇省人力資源和社會保障廳) in November 2024.

Dr. Long Xinjiang was a recipient of various awards over the years, including (i) Puko District "Double Sun Double Light" Development of Advanced Individual (浦口區"雙曬雙亮"促發展先進個人) awarded by Pukou District People's Government of Nanjing City (南京市浦口區人民政府) in February 2024; (ii) selected talent of Nanjing City's "Zijinshan Talent Plan High-Level Innovation and Entrepreneurship Talent Project" (南京市"紫金山英才計劃高層次創新創業人才項目"入選人才) awarded by the Talent Work Leading Group of the Nanjing Municipal Committee of the Communist Party of China (中共南京市委人才工作領導小組) in December 2023; (iii) "Advanced Individual" of Pukou Economic Development Zone (浦口經濟開發區"先進個人") awarded by the Management Committee of the Nanjing Pukou Economic Development Zone (南京浦口經濟開發區管理委員會) in January 2023; (iv) Zijinshan Talents Jiangbei Mingzhu Plan High-level Innovation and Entrepreneurship Talent Project (紫金山英才江北明珠計劃高層次創新創業人才) awarded by Nanjing Pukou District Talent Work Leading Group (南京市浦口區人才工作領導小組) in November 2022; (v) Special Award for Science and Technology Progress of Jiangyin City (江陰市科學技術進步特等獎) awarded by Jiangyin City People's Government (江陰市人民政府) in October 2017; (vi) Second Prize in Science and Technology of Jiangsu Province (江蘇省科學技術二等獎) awarded by Jiangsu Provincial People's Government (江蘇省人民政府) in February 2017; and (vii) Second Prize in Science and Technology of Jiangsu Province (江蘇省科學技術二等獎) awarded by Jiangsu Provincial People's Government (江蘇省人民政府) in January 2010.

Non-executive Directors

Ms. Yu Xiaolin (于曉琳), aged 49, a non-executive Director of our Group, has been serving as a director of our Company since August 2021. Ms. Yu Xiaolin is primarily responsible for providing advice to the Board and facilitating communication between shareholders and management.

Ms. Yu Xiaolin has over 17 years of experience in the investment industry. Prior to joining the Group, Ms. Yu Xiaolin worked at (i) Soochow Securities Co., Ltd. (東吳證券股份有限公司) (stock code: 601555.SS) from May 2008 to December 2020, and served as (ii) the president of Jiangsu Xinchao Innovation Investment Group Co., Ltd. (江蘇新潮創新投資集團有限公司) since January 2021, and (iii) a deputy general manager of Jiangsu Xinchao Innovation Investment Group Private Equity Management Co., Ltd. (江蘇新潮創新投資集團私募基金管理有限公司) since November 2021. In addition, Ms. Yu Xiaolin previously served as an executive director, general manager and legal representative of Jiangyin Zulin Chenguang Enterprise Management Co., Ltd. * (江陰竹霖晨珑企業管理有限公司), a limited company established under the laws of PRC, which was dissolved in June 2021.

Ms. Yu Xiaolin (i) graduated from Hainan University (海南大學) in the PRC in December 1998, majoring in computerized accounting; and (ii) obtained a master's degree in corporate finance from the University of Salford (索爾福德大學) in the United Kingdom in January 2004. Ms. Yu Xiaolin also obtained the Chartered Certified Accountant (ACCA) qualification in April 2006.

Ms. Wang Chuxuan (王楚璇), aged 28, a non-executive Director of our Group, has been serving as a director of our Company since December 2023. Ms. Wang Chuxuan is primarily responsible for providing advice to the Board and facilitating communication between shareholders and management.

Ms. Wang Chuxuan has been serving as an investment manager at the investment department of Shanghai Tongying Enterprise Management Consulting Co., Ltd. (上海彤瀛企業管理諮詢有限公司), a wholly-owned subsidiary of FirstLight Beijing since August 2021.

Ms. Wang Chuxuan obtained (i) a bachelor's degree of information and computational science from Zhejiang University (浙江大學) in the PRC in June 2019; and (ii) a master's degree in statistics from the University of Pennsylvania (美國賓夕法尼亞大學) in the USA in January 2021. Ms. Wang Chuxuan also obtained a fund qualification certificate (基金從業資格證書) accredited by the Asset Management Association of PRC (中國證券投資基金業協會).

Independent non-executive Directors

Ms. Jiao Jie (焦捷), aged 46, joined our Group in October 2025 and has been serving as an independent non-executive Director of the Group since then. Ms. Jiao Jie is primarily responsible for supervising and providing independent opinions and judgments to the Board.

Ms. Jiao Jie previously served as a director of Buzzinate Company Limited (百智能信息科技有限公司), a limited company established under the laws of Hong Kong, which was dissolved by deregistration in March 2019. Further, Ms. Jiao Jie previously served as an independent non-executive director of (i) China Sunshine Paper Holdings Company Limited (中國陽光紙業控股有限公司) (stock code: 2002) from January 2014 to August 2025; (ii) MOG Digitech Holdings Limited (馬可數字科技控股有限公司) (stock code: 1942) from March 2020 to August 2024; and (iii) Strong Petrochemical Holdings Limited (海峽石油化工控股有限公司) (stock code: 852) from October 2024 to January 2025, all of which are listed on the Stock Exchange. Ms. Jiao Jie also served as (i) a vice president and a chief financial officer at iClick Interactive Asia Limited (愛點擊互動亞洲有限公司) (stock code: ICLK) from August 2014 to December 2016 and from January 2017 to December 2018, respectively; (ii) a chief financial officer at Play For Dream Inc. (玩出夢想股份有限公司) from June 2019 to June 2024, and a financial and treasury advisor at PlayFor Dream Inc. (玩出夢想股份有限公司) since July 2024.

Concurrently, Ms. Jiao Jie has also been serving as the independent non-executive directors of TradeGo FinTech Limited (捷利交易寶金融科技有限公司) (stock code: 8017) since August 2018, Palasino Holdings Limited (百樂皇宮控股有限公司) (stock code: 2536) since July 2024, EPI (Holdings) Limited (長盈集團(控股)有限公司) (stock code: 689) since August 2024, Tianli Holdings Group Limited (天利控股集團有限公司) (stock code: 117) since December 2024, LVGEM (China) Real Estate Investment Co., Ltd. (綠景(中國)地產控股有限公司) (stock code: 95) since February 2025. These companies are all listed on the Stock Exchange.

Ms. Jiao has been serving as an independent director of Quhuo Limited (stock code: QH) since July 2020, Amber International Holding Limited (stock code: AMBR) since July 2025. These two companies are listed on the NASDAQ Stock Exchange in the United States.

Ms. Jiao Jie obtained (i) a bachelor's degree in law and economics from Peking University (北京大學) in the PRC in July 2003; and (ii) a master's degree in law from University of Oxford (牛津大學) in the United Kingdom in July 2005. Ms. Jiao has also obtained the Legal Professional Qualification Certificate and the Chartered Financial Analyst (CFA) designation and is a member of the Chartered Accountants Australia.

Dr. Wang Xiaomu (王肖沐), aged 42, joined our Group in October 2025 and has been serving as an independent non-executive Director of the Group since then. Dr. Wang Xiaomu is primarily responsible for supervising and providing independent opinions and judgments to the Board.

Dr. Wang Xiaomu served as (i) a distinguished professor at the School of Optoelectronics, Beijing Institute of Technology (北京理工大學光電學院) since June 2024; (ii) a professor at the School of Electronics Science and Engineering, Nanjing University (南京大學電子科學與工程學院) since October 2016; (iii) a postdoctoral researcher at the Department of Electrical Engineering, Yale University (耶魯大學) from March 2014 to August 2016; (iv) a postdoctoral researcher at the Department of Electrical Engineering, University of Cambridge (劍橋大學) from May 2013 to February 2014; and (v) a postdoctoral researcher at the Department of Electrical Engineering, The Chinese University of Hong Kong (香港中文大學電子工程系) from November 2012 to May 2013.

Dr. Wang Xiaomu obtained (i) a bachelor's degree of information engineering from Beijing Institute of Technology (北京理工大學) in the PRC in July 2006; (ii) a master's degree in electronics and communication engineering from Tsinghua University (清華大學) in the PRC in July 2009; and (iii) a doctoral degree in electronic engineering from The Chinese University of Hong Kong (香港中文大學) in Hong Kong in December 2012.

Dr. Wang Xiaomu was a recipient of various awards over the years, including (i) the Qiushi Outstanding Young Scientist Award (求是傑出青年科技獎) awarded by the Qiushi Foundation (求是基金會) in September 2019; (ii) the Second Prize of the Ministry of Education Natural Science Award (教育部自然科學二等獎) awarded by the Ministry of Education of the People's Republic of China (中華人民共和國教育部) in February 2015; and (iii) the Young Scientist Award (青年科學家獎) awarded by the Hong Kong Science Association (香港科學會) in November 2012.

Mr. Li Quanxing (李全興), aged 47, joined our Group in October 2025 and has been serving as an independent non-executive Director of the Group since then. Mr. Li Quanxing is primarily responsible for supervising and providing independent opinions and judgments to the Board.

Mr. Li Quanxing served as (i) a chief financial officer at Shenzhen Edifier Technology Co., Ltd. (深圳市漫步者科技股份有限公司) (stock code: 002351.SZ) from December 2010 to June 2012; (ii) a director, chief financial officer and board secretary at Thinkingdom Media Group Ltd. (新經典文化股份有限公司) (stock code: 603096.SH) from January 2013 to July 2021; (iii) a chief financial officer and board secretary at Greatsoft Co., Ltd. (冠新軟件股份有限公司) (stock code: 834376.NQ) from November 2021 to July 2022; (iv) a director at Changsha Angel Culture Co., Ltd. (長沙天使文化股份有限公司) from September 2021 to April 2025. He has been working at Beijing Inoke Technology Co., Ltd. (北京伊諾凱科技有限公司) since August 2022.

Mr. Li Quanxing has been an independent director of Shenzhen Edifier Technology Co., Ltd., (深圳市漫步者科技股份有限公司) (stock code: 002351.SZ), since January 2023.

Mr. Li Quanxing obtained (i) a bachelor's degree of economics from Beijing Institute of Technology (北京理工大學) in the PRC in July 2001; and (ii) a master's degree of management from Beijing Institute of Technology (北京理工大學) in the PRC in March 2004.

SUPERVISOR

Our supervisor is primarily responsible for overseeing the performance of our Company's Directors and senior management. We have only one supervisor. A description of the background and business experience of the supervisor is set out below:

Name	Age	Position	Roles and responsibilities	Date of joining our Group	Date of appointment as Supervisor	Relationships with other Directors and senior management
Mr. Liu Xin (劉鑫)	44	Supervisor	Responsible for overseeing the performance of the Company's directors and senior management	August 2025	August 2025	None

Mr. Liu Xin, aged 44, has served as a Supervisor of the Company since August 2025. Mr. Liu Xin is primarily responsible for overseeing the performance of the Company's directors and senior management.

Mr. Liu Xin has been serving as a staff member of Nanjing Pukou Economic Development Co., Ltd. (南京浦口經濟開發有限公司) since January 2010.

Mr. Liu Xin obtained a bachelor's degree in mechanical engineering and automation from Jiangnan University (江南大學) in the PRC in June 2003.

SENIOR MANAGEMENT

Our senior management is responsible for the day-to-day management and operations of our Group. A description of the background and business experience of each senior management member is set out below:

Name	Age	Position	Roles and responsibilities	Date of joining our Group	Date of appointment as a member of senior management	Relationships with other Directors and senior management
Mr. Pan Mingdong (潘明東) . . .	47	Executive Director, general manager	Responsible for factory operations and administration of our Group	September 2020	September 2020	None
Mr. Liu Yi (劉怡)	47	Executive Director, deputy general manager	Responsible for the overall management and operation of integrated circuit packaging and testing	November 2022	June 2024	None
Dr. Long Xinjiang (龍欣江) . . .	47	Executive Director (employee representative Director), deputy general manager	Responsible for bumping and wafer-level packaging and testing	April 2021	August 2021	None

Name	Age	Position	Roles and responsibilities	Date of joining our Group	Date of appointment as a member of senior management	Relationships with other Directors and senior management
Mr. Zhang Zhong (張中)	45	Deputy general manager	Responsible for technology research and development, marketing, and information technology management	April 2021	April 2021	None
Ms. Fang Yaping (方亞萍) . . .	49	Secretary of the Board, deputy general manager, chief financial officer	Responsible for board affairs, compliance, information disclosure, and overall financial management of the Group	May 2022	May 2022	None

For information on the biographical details of Mr. Pan Mingdong (潘明東), Mr. Liu Yi (劉怡) and Dr. Long Xinjiang (龍欣江), see "Directors — Executive Directors" in this section above.

Mr. Zhang Zhong (張中), aged 45, a deputy general manager of our Group, has been serving as deputy general manager of the research and development division of our Company since April 2021 and is primarily responsible for technology research and development, marketing, and information technology management.

Mr. Zhang Zhong has over 20 years of experience in the semiconductor packaging industry. Prior to joining the Group, Mr. Zhang Zhong (i) worked at Silicon Products Technology Suzhou Co., Ltd. (矽品科技(蘇州)有限公司) from July 2003 to September 2005; (ii) served as engineering manager at Texas Instruments Semiconductor Technology (Shanghai) Co., Ltd. Suzhou Branch (德州儀器半導體技術(上海)有限公司蘇州分公司) from October 2005 to May 2019; and (iii) a director of the engineering integration division at Jiangyin Changdian Advanced Packaging Co., Ltd. (江陰長電先進封裝有限公司) from May 2019 to August 2020.

Mr. Zhang Zhong obtained (i) a bachelor's degree of mechanical design, manufacturing and automation from Nanjing Agricultural University (南京農業大學) in the PRC in June 2003; and (ii) a master's degree in MBA from Anglia Ruskin University in the United Kingdom after completing long distance learning in June 2022. Mr. Zhang Zhong was appointed as lecturer professor at the School of Electrical and Automation Engineering of Nanjing Normal University (南京師範大學電氣與自動化工程學院) in August 2023. Mr. Zhang Zhong was also qualified as a licensed senior engineer accredited by Senior Professional Title Evaluation Committee for High-level and Urgently Needed Talents of Jiangsu Province (江蘇省高層次和急需緊缺人才高級職稱考核認定委員會) in December 2022.

Mr. Zhang Zhong was a recipient of various awards over the years, including (i) Taihu Talent Plan — Senior Management Talents of Enterprises (太湖人才計劃 — 企業引進高級經營管理人才) awarded by the Talent Work Leading Group of Wuxi City (無錫市人才工作領導小組) in August 2020; (ii) selected talent of Nanjing City's 11th batch of "Outstanding Young and Middle-aged Talent Project" (南京市十一批"中青年拔尖人才項目"入選人才) awarded by Office of the Talent Work Leading Group of the Nanjing Municipal Committee of the Communist Party of China (中共南京市委人才工作領導小組辦公室) in December 2024; (iii) 2018 Texas Instruments Global Technical Paper (2018德州儀器全球技術論文) awarded by Texas Instruments (德州儀器) in December 2018; and (iv) expert of the Talent Reserve Base Expert Committee of the Integrated Circuit Branch of the China Semiconductor Industry Association (中國半導體行業協會集成電路分會人才儲備基地專家委員會專家) awarded by the Integrated Circuit Branch of the China Semiconductor Industry Association (中國半導體行業協會集成電路分會) in May 2024.

Ms. Fang Yaping (方亞萍), aged 49, the secretary of the Board, deputy general manager and chief financial officer of our Group, has been serving as the secretary of the Board since May 2022 and the chief financial officer of our Company since May 2024. Ms. Fang Yaping has also been serving as a director at Yangzhou Chiplet Semiconductor Integration Co., Ltd.* (揚州芯粒集成電路有限公司) since October 2023. Ms. Fang Yaping is primarily responsible for board affairs, compliance, information disclosure and the overall financial management of the Group.

Ms. Fang Yaping has over 20 years of experience working in companies in the semiconductor packaging industry. Prior to joining the Group, Ms. Fang Yaping worked at (i) Jiangyin ACE Electronic Equipments Co., Ltd. (江陰新基電子設備有限公司) from January 2003 to June 2004; and (ii) Jiangyin Changdian Advanced Packaging Co., Ltd. (江陰長電先進封裝有限公司) from August 2004 to February 2021.

Ms. Fang Yaping obtained (i) a bachelor's degree from Shandong University of Science and Technology (山東科技大學) in the PRC in July 2000. Ms. Fang Yaping also obtained a certificate of secretary of the board of directors (董事會秘書證書) accredited by the Shenzhen Stock Exchange in December 2024.

JOINT COMPANY SECRETARIES

Ms. Fang Yaping (方亞萍) was appointed as one of our joint company secretaries in October 2025. See paragraph "— Senior Management" above for further details of Ms. Fang.

Ms. Ye Jiahong (葉嘉紅) was appointed as one of our joint company secretaries in October 2025. She is an assistant manager of listing services department of TMF Hong Kong Limited, responsible for providing corporate secretarial and compliance services to listed companies. Ms. Ye possesses approximately 7 years of experience in the company secretary profession. Ms. Ye is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. Ms. Ye obtained her bachelor's degree in English (business management stream) from Jinan University in the PRC in June 2013 and master's degree in computer-aided translation from The Chinese University of Hong Kong in November 2014. She is ordinarily resident in Hong Kong.

BOARD COMMITTEES

Our Board delegates certain responsibilities to various Board committees. In accordance with the relevant PRC laws and regulations, the Articles of Association and the Listing Rules, we have established our Audit Committee, Remuneration and Evaluation Committee and Nomination Committee.

Audit Committee

We have established an Audit Committee 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 include, but are not limited to, (i) supervising and evaluating the external auditor; (ii) guiding and supervising the internal auditor and communicating between the internal audit and the external audit; and (iii) reviewing and monitoring the operation of our financial reporting system, internal control system and risk management system.

The Audit Committee comprises three independent non-executive Directors, namely Ms. Jiao Jie, Dr. Wang Xiaomu and Mr. Li Quanxing. Ms. Jiao Jie is the chairperson of the Audit Committee and is appropriately qualified as required under Rules 3.10(2) and 3.21 of the Listing Rules.

Remuneration and Evaluation Committee

We have established a Remuneration and Evaluation Committee 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 Evaluation Committee are include but are not limited to, (i) establishing, reviewing and providing advices to the Board on our policy and structure concerning remuneration of our Directors and senior management; (ii) determining the terms of the specific remuneration package of each executive Director and senior management; and (iii) establishing and reviewing performance-based remuneration by reference to the remuneration level of other relevant enterprises and relevant positions.

The Remuneration and Evaluation Committee comprises an executive Director and two independent non-executive Directors, namely Mr. Pan Mingdong, Dr. Wang Xiaomu and Ms. Jiao Jie. Dr. Wang Xiaomu is the chairperson of the Remuneration and Evaluation Committee.

Nomination Committee

We have established a Nomination Committee in compliance with the Corporate Governance Code set out in Appendix C1 to the Listing Rules. The primary duties of the nomination committee include but are not limited to, (i) reviewing the structure, size and composition of the Board on a regular basis and make recommendations to the Board regarding any proposed changes to the composition of the Board; (ii) identifying, selecting or making recommendations to the Board on the selection of individuals nominated for directorship, ensure the diversity of the Board members; and (iii) making recommendations to the Board on relevant matters relating to the appointment, reappointment and removal of our Directors and succession planning for our Directors.

The Nomination Committee comprises an executive Director and two independent non-executive Directors, namely Mr. Zhang Guodong, Ms. Jiao Jie and Mr. Li Quanxing. Mr. Zhang Guodong is the chairperson of the Nomination Committee and is appropriately qualified as required under 3.27A of the Listing Rules.

REMUNERATION OF DIRECTORS, SUPERVISOR AND SENIOR MANAGEMENT

The remuneration of our Company's Directors, supervisor and senior management mainly consists of salaries, allowances, benefits in kind, performance-related bonuses, share incentive scheme, pension scheme and social welfare. The remuneration of Directors, supervisor and senior management is determined with reference to factors such as the responsibilities, risks and commitments of the Directors and senior management, the market standards of the same industry and the operations of our Company. Our independent non-executive Directors receive compensation with reference to their respective positions and duties, including being a member or the chairman of Board committees. The following table sets forth the aggregate amount of remuneration paid to our Directors and the five highest paid individuals (including certain Directors) for each of the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026.

	For the year ended December 31,			For the four months ended April 30,	
	2023	2024	2025	2025	2026
	(RMB'000)	*(RMB'000)*	*(RMB'000)*	*(RMB'000) (unaudited)*	*(RMB'000)*
Directors	16,787	13,724	37,031	21,980	4,122
Five highest paid individuals	19,613	18,179	41,809	24,407	9,181

We confirmed that during the Track Record Period, (i) no emoluments were paid by our Company to our Directors or the five highest paid individuals as an inducement to join or upon joining our Group, (ii) no emoluments were paid or payable by our Company to our Directors, the retiring Directors or the five highest paid individuals for their loss of office as a Director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group, and (iii) no Directors waived or agreed to waive any emoluments. Save as disclosed above and in "Financial Information", "Accountants' Report" and "Statutory and General Information", no other payments have been paid or are payable in respect of the Track Record Period to our Directors and senior management by our Group.

Under the arrangements currently in force, the aggregate amount of remuneration (including salaries, allowances, benefits in kind, performance-related bonuses, share incentive scheme, pension scheme and social welfare) payable by our Group to our Directors for the year ending December 31, 2026 is estimated to be approximately RMB20 million. The actual aggregate amount of remuneration may differ from this estimate.

See note 8 and note 9 to the Accountants' Report in Appendix I for details on remuneration paid to our Directors and senior management and, on an aggregate basis, the five highest paid individuals of our Group during the Track Record Period.

See "Statutory and General Information — 4. Other Information — Pre-IPO Share Option Scheme" in Appendix VI to this prospectus for details on our Pre-IPO Share Option Scheme for our Directors and senior management.

CONFIRMATION UNDER LISTING RULES

Rule 3.09D of the Listing Rules

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules on September 29, 2025, and (ii) understands his or her obligations as a director of a listed issuer on the Stock Exchange under the Listing Rules.

Rule 3.13 of the Listing Rules

Each of our independent non-executive Directors had confirmed (i) his or her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules; (ii) that he or she had no past or present financial or other interest in the business of the Company or its subsidiary or any connection with any core connected person of the Company under the Listing Rules as of the Latest Practicable Date; and (iii) that there were no other factors that may affect his or her independence at the time of his appointments. Each of our independent non-executive Directors will inform us and the Stock Exchange as soon as practicable if there is any subsequent change of circumstances which may affect his or her independence.

Disclosure under Rule 8.10(2) of the Listing Rules

As at the Latest Practicable Date, none of our Directors was interested in any business which competes directly or indirectly with our business pursuant to Rule 8.10(2) of the Listing Rules.

BOARD DIVERSITY POLICY

Our Company recognizes the benefits of having a diverse Board and believes that increasing diversity at the Board level is key to reaching its strategic goals and promoting sustainable development. We have adopted a board diversity policy which sets out the objective and approach for achieving and maintaining the diversity of the Board.

Pursuant to the board diversity policy, in reviewing and assessing suitable candidates to serve as a director of our Company, the Nomination Committee and Remuneration and Evaluation 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. The ultimate selection of Board candidates will be based on merit and potential contribution to our Board having due regard to the benefits of diversity on the Board and also the specific needs of our Company without focusing on a single diversity aspect. Our Board currently has three female Directors, and we will continue to work towards enhancing the gender diversity of the Board. Our Directors have a balanced mix of knowledge and skills, and we have two non-executive Directors and three independent non-executive Directors with varying industry backgrounds. Taking into account our existing business model and specific needs as well as the different backgrounds of our Directors, the composition of our Board satisfies our board diversity policy.

After Listing, pursuant to the board diversity policy, the Nomination Committee and Remuneration and Evaluation 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 formal adoption. Such information will be included in the corporate governance report as required by the Listing Rules after Listing.

COMPLIANCE ADVISOR

We have appointed Quam Capital Limited as our Compliance Advisor in compliance with Rules 3A.19 of the Listing Rules. The Compliance Advisor will provide us with advice and guidance as to our compliance with the Listing Rules and other applicable laws, rules, codes and guidelines. Pursuant to Rules 3A.23 of the Listing Rules, the Compliance Advisor will advise our Company in certain circumstances, including:

(i) before the publication of any regulatory announcement, circular or financial report;

(ii) where a transaction, which might be a notifiable or connected transaction, is contemplated, including share issues and share repurchases;

(iii) where we propose to use the proceeds from the Global Offering in a manner different from that detailed in this prospectus or where our business activities, developments or results deviate from any forecast, estimate or other information in this prospectus; and

(iv) where the Stock Exchange makes an inquiry to our Company in accordance with Rule 13.10 of the Listing Rules.

The term of the 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 and such appointment may be subject to extension by mutual agreement.

CORPORATE GOVERNANCE

Our Company believes a high standard of corporate governance is crucial to safeguarding the interest of our Shareholders. Further, our Directors recognize the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group to achieve effective accountability. As such, we have complied and expect to continue to comply with the Corporate Governance Code as set out in Appendix C1 of the Listing Rules after the Listing Date.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately following the completion of the Global Offering and the conversion of the Unlisted Domestic Shares to H Shares, without taking into account any Shares to be issued upon the exercise of any option granted under the Pre-IPO Share Option Scheme, the following persons will have an interest and/or short position in the Shares or the underlying Shares which would fall to be disclosed to us and the Stock Exchange 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 nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company:

		As of the Latest Practicable Date and immediately prior to the completion of the Global Offering		Immediately after the completion of the Global Offering (without taking into account any Shares to be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme)		
Name of Shareholder	**Nature of interest**	**Number and description of Shares**	**Approximate percentage of interest in our Company**	**Number and description of Shares**	**Approximate percentage of interest in our Company[1]**	**Approximate percentage of interest in the Unlisted Shares/H Shares (as appropriate)[1]**
Mr. Zhang Guodong (張國棟)	Beneficial owner[2]; interest in controlled corporations[5][6]; parties acting in concert[7]	239,240,000 Unlisted Shares	24.95%	167,468,000 Unlisted Shares 71,772,000 H Shares	22.45%	63.16% 8.97%
Ms. Wang Linxia (王林霞)	Interest of spouse[8]	239,240,000 Unlisted Shares	24.95%	167,468,000 Unlisted Shares 71,772,000 H Shares	22.45%	63.16% 8.97%
Mr. Pan Mingdong (潘明東)	Beneficial owner[3]; parties acting in concert[7]	239,240,000 Unlisted Shares	24.95%	167,468,000 Unlisted Shares 71,772,000 H Shares	22.45%	63.16% 8.97%
Ms. Jin Chengru (金成茹)	Interest of spouse[9]	239,240,000 Unlisted Shares	24.95%	167,468,000 Unlisted Shares 71,772,000 H Shares	22.45%	63.16% 8.97%
Mr. Liu Yi (劉怡).	Beneficial owner[4]; parties acting in concert[7]	239,240,000 Unlisted Shares	24.95%	167,468,000 Unlisted Shares 71,772,000 H Shares	22.45%	63.16% 8.97%
Ms. Wang Xue (王雪).	Interest of spouse[10]	239,240,000 Unlisted Shares	24.95%	167,468,000 Unlisted Shares 71,772,000 H Shares	22.45%	63.16% 8.97%

		As of the Latest Practicable Date and immediately prior to the completion of the Global Offering		Immediately after the completion of the Global Offering (without taking into account any Shares to be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme)		
Name of Shareholder	**Nature of interest**	**Number and description of Shares**	**Approximate percentage of interest in our Company**	**Number and description of Shares**	**Approximate percentage of interest in our Company[1]**	**Approximate percentage of interest in the Unlisted Shares/H Shares (as appropriate)[1]**
Ningtaixin	Beneficial owner[5]; parties acting in concert[7]	239,240,000 Unlisted Shares	24.95%	167,468,000 Unlisted Shares 71,772,000 H Shares	22.45%	63.16% 8.97%
Ningpuxin	Beneficial owner[6]; parties acting in concert[7]	239,240,000 Unlisted Shares	24.95%	167,468,000 Unlisted Shares 71,772,000 H Shares	22.45%	63.16% 8.97%
Dechengxin	Interest in controlled corporation[6]	239,240,000 Unlisted Shares	24.95%	167,468,000 Unlisted Shares 71,772,000 H Shares	22.45%	63.16% 8.97%
FirstLight Hongtong	Beneficial owner[11]	72,000,000 Unlisted Shares	7.51%	72,000,000 H Shares	6.76%	8.99%
FirstLight Hongqi	Interest in controlled corporation[11]	72,000,000 Unlisted Shares	7.51%	72,000,000 H Shares	6.76%	8.99%
FirstLight Beijing	Interest in controlled corporation[11][12]	82,000,000 Unlisted Shares	8.55%	10,000,000 Unlisted Shares 72,000,000 H Shares	7.70%	3.77% 8.99%
FirstLight Investment	Interest in controlled corporation[11][12]	82,000,000 Unlisted Shares	8.55%	10,000,000 Unlisted Shares 72,000,000 H Shares	7.70%	3.77% 8.99%
Ms. Liu Xiaodan (劉曉丹)	Interest in controlled corporation[11][12]	82,000,000 Unlisted Shares	8.55%	10,000,000 Unlisted Shares 72,000,000 H Shares	7.70%	3.77% 8.99%
Beijing FirstLight M&A Fund	Interest in controlled corporation[11]	72,000,000 Unlisted Shares	7.51%	72,000,000 H Shares	6.76%	8.99%
Nanjing Xinju	Beneficial owner[13]	54,545,455 Unlisted Shares	5.69%	54,545,455 H Shares	5.12%	6.81%
Nanjing Zijin	Interest in controlled corporation[13]	54,545,455 Unlisted Shares	5.69%	54,545,455 H Shares	5.12%	6.81%

		As of the Latest Practicable Date and immediately prior to the completion of the Global Offering		Immediately after the completion of the Global Offering (without taking into account any Shares to be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme)		
Name of Shareholder	Nature of interest	Number and description of Shares	Approximate percentage of interest in our Company	Number and description of Shares	Approximate percentage of interest in our Company[1]	Approximate percentage of interest in the Unlisted Shares/H Shares (as appropriate)[1]
Nanjing Innovation	Interest in controlled corporation[13] [15][16]	65,000,000 Unlisted Shares	6.78%	65,000,000 H Shares	6.10%	8.11%
Nanjing SASAC	Interest in controlled corporation[13] [15] [16]	65,000,000 Unlisted Shares	6.78%	65,000,000 H Shares	6.10%	8.11%
Nanjing Xingli	Interest in controlled corporation[13]	54,545,455 Unlisted Shares	5.69%	54,545,455 H Shares	5.12%	6.81%
Pukou High-quality Development	Interest in controlled corporation[13]	54,545,455 Unlisted Shares	5.69%	54,545,455 H Shares	5.12%	6.81%
Nanjing Yushan	Interest in controlled corporation[13][14]	56,363,637 Unlisted Shares	5.88%	56,363,637 H Shares	5.29%	7.04%
Pukou Technology Innovation	Interest in controlled corporation[13][14]	56,363,637 Unlisted Shares	5.88%	56,363,637 H Shares	5.29%	7.04%
Dajiangbei	Interest in controlled corporation[13][14]	56,363,637 Unlisted Shares	5.88%	56,363,637 H Shares	5.29%	7.04%
Nanjing Pukou District Finance Bureau (南京市浦口區財政局)	Interest in controlled corporation[13][14]	56,363,637 Unlisted Shares	5.88%	56,363,637 H Shares	5.29%	7.04%
Xinlianxin	Beneficial owner[17]	51,400,000 Unlisted Shares	5.36%	10,280,000 Unlisted Shares 41,120,000 H Shares	4.82%	3.88% 5.14%
Mr. Chen Yigao (陳一杲)	Interest in controlled corporation[17]	51,400,000 Unlisted Shares	5.36%	10,280,000 Unlisted Shares 41,120,000 H Shares	4.82%	3.88% 5.14%
Xinxiang Rongcheng	Beneficial owner[18]	48,072,727 Unlisted Shares	5.01%	48,072,727 H Shares	4.51%	6.01%
CycleOne Limited	Interest in controlled corporation[18]	48,072,727 Unlisted Shares	5.01%	48,072,727 H Shares	4.51%	6.01%
Mr. Chen Chu-Wan (陳主望)	Interest in controlled corporation[18]	48,072,727 Unlisted Shares	5.01%	48,072,727 H Shares	4.51%	6.01%

		As of the Latest Practicable Date and immediately prior to the completion of the Global Offering		Immediately after the completion of the Global Offering (without taking into account any Shares to be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme)		
Name of Shareholder	**Nature of interest**	**Number and description of Shares**	**Approximate percentage of interest in our Company**	**Number and description of Shares**	**Approximate percentage of interest in our Company[(1)]**	**Approximate percentage of interest in the Unlisted Shares/H Shares (as appropriate)[(1)]**
ACSS Limited.	Interest in controlled corporation[(18)]	48,072,727 Unlisted Shares	5.01%	48,072,727 H Shares	4.51%	6.01%
ACPF G Limited	Interest in controlled corporation[(18)]	48,072,727 Unlisted Shares	5.01%	48,072,727 H Shares	4.51%	6.01%
AchiCapital Partners Fund LP	Interest in controlled corporation[(18)]	48,072,727 Unlisted Shares	5.01%	48,072,727 H Shares	4.51%	6.01%
AchiCapital GP Limited.	Interest in controlled corporation[(18)]	48,072,727 Unlisted Shares	5.01%	48,072,727 H Shares	4.51%	6.01%

Notes:

(1) The calculation is based on the total number of 265,152,545 Unlisted Shares and 800,471,687 H Shares in issue upon Listing comprising (i) an aggregate of 693,909,187 Shares to be converted from the Unlisted Shares and (ii) 106,562,500 Shares to be issued pursuant to the Global Offering.

(2) As of the Latest Practicable Date, Mr. Zhang Guodong was directly interested in approximately 5.38% of the equity interest in our Company.

(3) As of the Latest Practicable Date, Mr. Pan Mingdong was directly interested in approximately 3.01% of the equity interest in our Company.

(4) As of the Latest Practicable Date, Mr. Liu Yi was directly interested in approximately 1.04% of the equity interest in our Company.

(5) As of the Latest Practicable Date, Nanjing Ningtaixin Enterprise Consulting Management Partnership (Limited Partnership)* (南京寧泰芯企業諮詢管理合夥企業(有限合夥)) ("**Ningtaixin**") was directly interested in approximately 9.49% of the equity interest in our Company. Pursuant to a limited partnership agreement governing Ningtaixin, Mr. Zhang Guodong was the general partner of Ningtaixin. As the general partner of Ningtaixin, Mr. Zhang Guodong was deemed to have *de facto* control in Ningtaixin and hence was the controller of Ningtaixin. Accordingly, Mr. Zhang Guodong is deemed to be interested in such Shares held by Ningtaixin for the purpose of the SFO. No limited partner of Ningtaixin contributed to more than one third of the capital to Ningtaixin.

(6) As of the Latest Practicable Date, Ningbo Meishan Bonded Port Area Ningpuxin Enterprise Management Partnership (Limited Partnership)* (寧波梅山保税港區寧浦芯企業管理合夥企業(有限合夥)) ("**Ningpuxin**") was directly interested in approximately 6.02% of the equity interest in our Company. Pursuant to a limited partnership agreement governing Ningpuxin, Mr. Zhang Guodong was the general partner of Ningpuxin. As the general partner of Ningpuxin, Mr. Zhang Guodong was deemed to have de facto control in Ningpuxin and hence was the controller of Ningpuxin. Further, Ningbo Meishan Bonded Port Area Dechengxin Enterprise Management Partnership (Limited Partnership)* (寧波梅山保税港區得誠芯企業管理合夥企業(有限合夥)) ("**Dechengxin**"), a limited partner of Ningpuxin, held approximately 69.82% of its partnership interest. No other limited partner of Ningpuxin contributed to more than one third of the capital to Ningpuxin. Accordingly, Mr. Zhang Guodong and Dechengxin are deemed to be interested in such Shares held by Ningpuxin for the purpose of the SFO.

(7) Pursuant to the concert party agreement dated June 8, 2023 entered into by and between Mr. Zhang Guodong, Mr. Pan Mingdong, Mr. Liu Yi, Ningtaixin and Ningpuxin, the parties acknowledged that (i) they shall consult each other in respect of the decision making relating to the business operation and corporate governance of the Company and reach consensus before voting unanimously at the general meetings or board meetings of the Company, and (ii) where consensus cannot be reached between the parties, parties shall follow the instruction of Mr. Zhang Guodong. As a result, Mr. Zhang Guodong, Mr. Pan Mingdong, Mr. Liu Yi, Ningtaixin and Ningpuxin held in aggregate approximately 24.95% of the equity interest in our Company, and are parties acting in concert. They are also considered the Single Largest Group of Shareholders of our Company.

(8) Mr. Zhang Guodong (張國棟) and Ms. Wang Linxia (王林霞) are spouses. Accordingly, Ms. Wang Linxia is deemed to be interested in the Shares held by Mr. Zhang Guodong under the SFO.

(9) Mr. Pan Mingdong (潘明東) and Ms. Jin Chengru (金成茹) are spouses. Accordingly, Ms. Jin Chengru is deemed to be interested in the Shares held by Mr. Pan Mingdong under the SFO.

(10) Mr. Liu Yi (劉怡) and Ms. Wang Xue (王雪) are spouses. Accordingly, Ms. Wang Xue is deemed to be interested in the Shares held by Mr. Liu Yi under the SFO.

(11) As of the Latest Practicable Date, Jiaxing FirstLight Hongtong Equity Investment Partnership Enterprise (Limited Partnership)* (嘉興晨壹泓彤股權投資合夥企業(有限合夥)) ("**FirstLight Hongtong**") was directly interested in approximately 7.51% of the equity interest in our Company. Pursuant to a limited partnership agreement governing FirstLight Hongtong, the general partner of FirstLight Hongtong is FirstLight Hongqi (Beijing) Consulting Co., Ltd.* (晨壹紅啟(北京)諮詢有限公司) ("**FirstLight Hongqi**"). FirstLight Hongqi is wholly owned by FirstLight Beijing, and FirstLight Beijing was held as to 51.00% by FirstLight Investment Co., Ltd.* (晨壹投資有限公司) ("**FirstLight Investment**"). FirstLight Investment was held as to 90.00% by Ms. Liu Xiaodan (劉曉丹). Beijing FirstLight M&A Fund (Limited Partnership)* (北京晨壹併購基金(有限合夥)) ("**Beijing FirstLight M&A Fund**"), a limited partner of FirstLight Hongtong, held approximately 88.61% of the partnership interest. As such, under the SFO, FirstLight Hongqi, FirstLight Beijing, FirstLight Investment, Ms. Liu Xiaodan and Beijing FirstLight M&A Fund are deemed to be interested in the Shares held by FirstLight Hongtong.

(12) As of the Latest Practicable Date, Wuxi FirstLight Growth Equity Investment Fund (Limited Partnership)* (無錫晨壹成長股權投資基金(有限合夥)) ("**FirstLight Growth**") was directly interested in approximately 1.04% of the equity interest in our Company. Pursuant to a limited partnership agreement governing FirstLight Growth, the general partner of FirstLight Growth is Wuxi FirstLight Chengqi Consulting Management Partnership (Limited Partnership)* (無錫晨壹成啟諮詢管理合夥企業(有限合夥)) ("**Wuxi FirstLight Chengqi**"). Wuxi FirstLight Chengqi was owned as to approximately 87.5% by Jiaxing Tongying Equity Investment Co., Ltd.* (嘉興彤盈股權投資有限公司) ("**Jiaxing Tongying**"). Jiaxing Tongying was wholly owned by FirstLight Beijing, and FirstLight Beijing was held as to 51.00% by FirstLight Investment Co., Ltd.* (晨壹投資有限公司) ("**FirstLight Investment**"). FirstLight Investment was held as to 90.00% by Ms. Liu Xiaodan (劉曉丹). As such, under the SFO, FirstLight Beijing, FirstLight Investment and Ms. Liu Xiaodan are deemed to be interested in the Shares held by FirstLight Growth.

(13) As of the Latest Practicable Date, Nanjing Xinju Management Consulting Partnership (Limited Partnership)* (南京芯聚管理諮詢合夥企業(有限合夥)) ("**Nanjing Xinju**") was directly interested in approximately 5.69% of the equity interest in our Company. Pursuant to a limited partnership agreement governing Nanjing Xinju, the general partner of Nanjing Xinju is Nanjing Zijin Technology Venture Capital Co., Ltd.* (南京紫金科技創業投資有限公司) ("**Nanjing Zijin**"). Nanjing Zijin was wholly owned by Nanjing Innovation Investment Group Co., Ltd.* (南京市創新投資集團有限責任公司) ("**Nanjing Innovation**"). Nanjing Innovation was held as to 66.67% by the Nanjing Municipal State-owned Assets Supervision and Administration Commission (南京市人民政府國有資產監督管理委員會) ("**Nanjing SASAC**"). Further, Nanjing Pukou High-quality Development Investment Fund Partnership Enterprise (Limited Partnership)* (南京浦口高質量發展投資基金合夥企業(有限合夥)) ("**Pukou High-quality Development**") and Nanjing Xingli Equity Investment Fund Partnership Enterprise (Limited Partnership)* (南京興力股權投資基金合夥企業(有限合夥)) ("**Nanjing Xingli**"), being limited partners of Nanjing Xinju, held as to 49.49% and 49.49% of partnership interest, respectively. Nanjing Yushan Private Fund Management Co., Ltd.* (南京雨山私募基金管理有限公司) ("**Nanjing Yushan**") is the general partner of Pukou High-quality Development, and Nanjing Pukou District Technology Innovation Investment Co., Ltd.* (南京市浦口區科技創新投資有限公司) ("**Pukou Technology Innovation**"), being the limited partner of Pukou High-quality Development, held as to 39.8% of it its partnership interest. Nanjing Yushan was wholly owned by Pukou Technology Innovation, and Pukou Technology Innovation was wholly owned by Nanjing Dajiangbei State-owned Capital Investment Group Co., Ltd.* (南京大江北國資投資集團有限公司) ("**Dajiangbei**"). Dajiangbei was wholly owned by the Nanjing Pukou District Finance Bureau (南京市浦口區財政局). As such, under the SFO, Nanjing Zijin, Nanjing Innovation, Nanjing SASAC, Pukou High-quality Development, Nanjing Xingli, Nanjing Yushan, Pukou Technology Innovation, Dajiangbei and the Nanjing Pukou District Finance Bureau are deemed to be interested in the Shares held by Nanjing Xinju.

(14) As of the Latest Practicable Date, Pukou Zhiqi was directly interested in approximately 0.19% of the equity interest in our Company. Nanjing Yushan is the general partner of Pukou Zhiqi, and Nanjing Yushan was wholly owned by Pukou Technology Innovation. Pukou Technology Innovation was wholly owned by Dajiangbei, and Dajiangbei was wholly owned by the Nanjing Pukou District Finance Bureau (南京市浦口區財政局). In addition, Pukou Technology Innovation, being the limited partner of Pukou Zhiqi, held as to 39.00% of the partnership interest. As such, under the SFO, Nanjing Yushan, Pukou Technology Innovation, Dajiangbei and Nanjing Pukou District Finance Bureau are deemed to be interested in the Shares held by Pukou Zhiqi.

(15) As of the Latest Practicable Date, Nanjing Talent Innovation and Entrepreneurship Investment Fund Partnership (Limited Partnership) * (南京市人才創新創業投資基金合夥企業(有限合夥)) ("**Nanjing Talent**") was directly interested in approximately 0.52% of the equity interest in our Company. Pursuant to a limited partnership agreement governing Nanjing Talent, the general partner of Nanjing Talent is Nanjing Zijin Venture Capital Fund Management Co., Ltd.* (南京紫金創投基金管理有限責任公司) (the "**Nanjing Zijin Venture Capital**"), and Nanjing Zijin Venture Capital was wholly owned by Nanjing Innovation, and Nanjing Innovation was held as to approximately 66.67% by the Nanjing SASAC. As such, under the SFO, Nanjing Innovation and Nanjing SASAC are deemed to be interested in the Shares held by Nanjing Talent.

(16) As of the Latest Practicable Date, Jiangsu Nanjing Advanced Manufacturing Industry Master Fund (Limited Partnership)* (江蘇南京先進製造產業專項母基金(有限合夥)) ("**Advanced Manufacturing**") was directly interested in approximately 0.57% of the equity interest in our Company. Pursuant to a limited partnership agreement governing Advanced Manufacturing, the general partner of Advanced Manufacturing is Nanjing Strategy Private Equity Fund Management Co., Ltd.* (南京戰新私募基金管理有限公司) ("**Zhanxin PE**"). Zhanxin PE was held as to 75.00% by Nanjing Innovation, and Nanjing Innovation was held as to approximately 66.67% by the Nanjing SASAC. As such, under the SFO, Nanjing Innovation and Nanjing SASAC are deemed to be interested in the Shares held by Advanced Manufacturing.

(17) As of the Latest Practicable Date, Xinlianxin Enterprise Management Consulting Partnership Enterprise (Limited Partnership) * (南京心聯芯企業管理諮詢合夥企業(有限合夥)) ("**Xinlianxin**") was directly interested in approximately 5.36% of the equity interest in our Company. Pursuant to a limited partnership agreement governing Xinlianxin, the general partner of Xinlianxin is Mr. Chen Yigao (陳一杲). No limited partner contributed more than one third of the capital to Xinlianxin. As such, under the SFO, Mr. Chen Yigao (陳一杲) is deemed to be interested in the Shares held by Nanjing Xinlianxin.

(18) As of the Latest Practicable Date, Xinxiang Rongcheng (Xiamen) Enterprise Management Consulting Partnership Enterprise (Limited Partnership) * (欣向榮呈(廈門)企業管理諮詢合夥企業(有限合夥)) ("**Xinxiang Rongcheng**") was directly interested in approximately 5.01% of the equity interest in our Company. Pursuant to a limited partnership agreement governing Xinxiang Rongcheng, the general partner of Xinxiang Rongcheng is CycleOne Limited. CycleOne Limited was wholly owned by Mr. Chen Chu-Wan (陳主望). ACSS Limited, a limited partner of Xinxiang Rongcheng, held approximately 77.06% of its partnership interest. ACSS Limited was wholly owned by ACPF G Limited, and ACPF G Limited was wholly owned by Achi Capital Partners Fund LP. AchiCapital CP Limited held 100.00% of voting rights in Achi Capital Partners Fund LP. AchiCapital GP Limited was held as to 75.00% by Mr. Chen Chu-Wan (陳主望). As such, under the SFO, CycleOne Limited, ACSS Limited, ACPF G Limited, Achi Capital Partners Fund LP, AchiCapital CP Limited and Mr. Chen Chu-Wan (陳主望) are deemed to be interest in the Shares held by Xinxiang Rongcheng.

(19) For the avoidance of doubt, both Unlisted Shares and H Shares are ordinary Shares in the share capital of the Company, and are considered as one class of Shares.

Save as disclosed above, our Directors are not aware of any person who will, immediately following the completion of the Global Offering, have any interest and/or short position in the Shares or underlying Shares of our Company which will be required to be disclosed to us and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who are, directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of our Company or any other member of our Group. Our Company is not aware of any arrangement which may result in any change of control in our Company at any subsequent date.

BEFORE THE GLOBAL OFFERING

As at the Latest Practicable Date, the registered capital of our Company was RMB959,061,732.00, comprising 959,061,732 Unlisted Shares with a nominal value of RMB1.00 each.

UPON COMPLETION OF THE GLOBAL OFFERING

Without taking into account any H Shares to be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme, the share capital of our Company immediately upon completion of the Global Offering will be increased to RMB1,065,624,232. The details are set out as follows:

Description of Shares	Number of Shares	Approximate % of the Enlarged Share Capital after the Global Offering
Unlisted Shares	265,152,545	24.88%
H shares converted from Unlisted Shares	693,909,187	65.12%
H shares to be issued under the Global Offering	106,562,500	10.00%
Total	**1,065,624,232**	**100.00%**

SHARE CLASSES

The H Shares, to be issued following the completion of the Global Offering and converted from the Unlisted Shares, and the Unlisted Shares are ordinary Shares in the share capital of our Company, and are considered as one class of Shares. Apart from certain qualified domestic institutional investors in the PRC, qualified PRC investors under the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and other persons entitled to hold H Shares pursuant to the relevant PRC laws and regulations or upon approval by any competent authorities, H Shares generally may not be subscribed for by, or traded between, investors of the PRC. H Shares may only be subscribed for and traded in Hong Kong dollars.

Unlisted Shares and H Shares are regarded as one class of Shares under our Articles of Association and will rank *pari passu* with each other in all other respects and, in particular, will rank equally for all dividends or distributions declared, paid or made after the date of this prospectus. Dividends in respect of our Shares will be denominated in Hong Kong dollars, and may be paid by us in Hong Kong dollars or Renminbi, as the case may be. In addition to cash, dividends may be distributed in the form of Shares.

CONVERSION OF UNLISTED SHARES INTO H SHARES

Our Unlisted Shares are unlisted Shares which are currently not listed or traded on any stock exchange.

According to the regulations by the CSRC and our Articles of Association, the holders of these Unlisted Shares may, at their own option, authorize our Company to apply to the CSRC for conversion of their respective Unlisted Shares to H Shares upon the Global Offering, and such converted Shares may be listed and traded on an overseas stock exchange provided that the conversion, listing and trading of such converted Shares have been approved by the securities regulatory authorities of the State Council (including the CSRC). In addition, such conversion, trading and listing shall meet any requirement of internal approval process and in all respects comply with the regulations prescribed by the securities regulatory authorities of the State Council and the regulations, requirements and procedures prescribed by the relevant overseas stock exchange.

If any of the Unlisted Shares are to be converted, listed and traded as H Shares on the Stock Exchange, the approvals of any internal approval process and/or the relevant PRC regulatory authorities (including the CSRC) and the approval of the Stock Exchange are necessary for such conversion. Based on the procedures for the conversion of Unlisted Shares into H Shares as set forth below, we will apply for the listing of all or any portion of the Unlisted Shares on the Stock Exchange as H Shares in advance of any proposed conversion after the Global Offering to ensure that the conversion process can be completed promptly upon notice to the Stock Exchange and delivery of Shares for entry on the H Share register. As the listing of additional Shares after the Listing on the Stock Exchange is ordinarily considered by the Stock Exchange to be a purely administrative matter, it does not require such prior application for listing at the time of our listing in Hong Kong. No Shareholder voting is required for the conversion of such Shares or the listing and trading of such converted Shares on an overseas stock exchange. Any application for listing of the converted shares on the Stock Exchange after our initial listing is subject to prior notification by way of announcement to inform our Shareholders and the public of any proposed conversion.

After all the requisite approvals have been obtained, the relevant Unlisted Shares will be withdrawn from the Share register, and our Company will re-register such Shares on the H Share register maintained in Hong Kong and instruct the H Share Registrar to issue H Share certificates. Registration on the H Share register of our Company will be on the conditions that:

(i) the H Share Registrar lodges with the Stock Exchange a letter confirming the proper entry of the relevant H Shares on the H Share register and the due dispatch of H Share certificates; and

(ii) the admission of the H Shares to be traded on the Stock Exchange complies with the Listing Rules and the General Rules of HKSCC and the HKSCC Operational Procedures in force from time to time. Until the converted Shares are re-registered on the H Share register of our Company, such Shares would not be listed as H Shares.

For details of our existing Shareholders' proposed conversion of Unlisted Shares into H Shares, see "History, Development and Corporate Structure — Pre-IPO Investments" in this prospectus.

TRANSFER OF SHARES ISSUED PRIOR TO THE GLOBAL OFFERING

In accordance with the PRC Company Law, the shares issued prior to any public offering of shares by a company cannot be transferred within one year from the date on which such publicly offered shares are listed and traded on the relevant stock exchange. As such, the Shares issued by our Company prior to the issue of H Shares will be subject to such statutory restriction on transfer within a period of one year from the Listing Date.

Our Directors and members of the senior management of our Company shall declare their shareholdings in our Company and any changes in their shareholdings. Shares transferred by our Directors and members of the senior management each year during their term of office shall not exceed 25% of their total respective shareholdings in our Company. The Shares that the aforementioned persons held in our Company cannot be transferred within one year from the date on which the Shares are listed and traded, nor within half a year after they leave their positions in our Company. The Articles of Association may contain other restrictions on the transfer of the Shares held by our Directors and members of senior management of our Company.

REGISTRATION OF SHARES NOT LISTED ON OVERSEAS STOCK EXCHANGE

According to the Guidelines for the "Full Circulation" Program for Domestic Unlisted Shares of H-share Listed 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, domestic shareholders of unlisted shares shall, in accordance with the relevant business rules of the China Securities Depository and Clearing Corporation Limited ("**CSDC**"), handle the transfer registration of shares, complete the procedures of share registration and stock listing in accordance with the relevant regulations of the Hong Kong market, and disclose information in accordance with the law and regulations. The H-share listed company shall submit a report on the relevant situation to the CSRC within 15 days after the registration with the CSDC of the shares related to the application has been completed.

PRE-IPO SHARE OPTION SCHEME

We adopted the Pre-IPO Share Option Scheme, details of which are set forth in "Appendix VI – Statutory and General Information – 4. Other Information – Pre-IPO Share Option Scheme".

THE CORNERSTONE PLACING

We have entered into cornerstone investment agreements (each a "**Cornerstone Investment Agreement**" and collectively, the "**Cornerstone Investment Agreements**") with the investors described below (each a "**Cornerstone Investor**" and collectively, the "**Cornerstone Investors**"). Pursuant to the Cornerstone Investment Agreements, the Cornerstone Investors have agreed, subject to the conditions set out therein, to subscribe, or procure their designated entities to subscribe, at the Offer Price for such number of Offer Shares, rounded down to the nearest whole board lot of 500 H Shares, as may be purchased for an aggregate amount of approximately HK$312.99 million (the "**Cornerstone Placing**"). The aggregate investment amount is exclusive of brokerage, the SFC transaction levy, the AFRC transaction levy and the Stock Exchange trading fee. The calculations in this section, which are based on the exchange rates as disclosed in "Information about this Prospectus and the Global Offering — Exchange Rate Conversion" in this prospectus, are only for illustration purpose. The final number of H Shares to be subscribed by the Cornerstone Investors are subject to the exchange rate to be determined in accordance with the relevant Cornerstone Investment Agreements and will be set out in the allotment results announcement in respect of the Global Offering to be issued by our Company.

Based on an Offer Price of HK$8.60 per Offer Share, being the low-end of the indicative Offer Price range, the Cornerstone Investors would subscribe for an aggregate of 36,393,500 Offer Shares, representing approximately 34.15% of the Offer Shares, 4.55% of the H Shares and 3.42% of our total issued share capital immediately following completion of the Global Offering, assuming that there is no other change made to the issued share capital of the Company between the Latest Practicable Date and the Listing.

Based on an Offer Price of HK$9.10 per Offer Share, being the mid-point of the indicative Offer Price range, the Cornerstone Investors would subscribe for an aggregate of 34,393,500 Offer Shares, representing approximately 32.28% of the Offer Shares, 4.30% of the H Shares and 3.23% of our total issued share capital immediately following completion of the Global Offering, assuming that there is no other change made to the issued share capital of the Company between the Latest Practicable Date and the Listing.

Based on an Offer Price of HK$9.60 per Offer Share, being the high-end of the indicative Offer Price range, the Cornerstone Investors would subscribe for an aggregate of 32,602,500 Offer Shares, representing approximately 30.59% of the Offer Shares, 4.07% of the H Shares and 3.06% of our total issued share capital immediately following completion of the Global Offering, assuming that there is no other change made to the issued share capital of the Company between the Latest Practicable Date and the Listing.

We consider that the Cornerstone Placing reflects the Cornerstone Investors' confidence in our business and prospects and will enhance our Company's profile. We became acquainted with the Cornerstone Investors through our business network and introductions by the Sole Sponsor-Overall Coordinator of the Global Offering.

The Cornerstone Placing will form part of the International Offering. The Offer Shares subscribed for under the Cornerstone Placing will rank pari passu in all respects with the other fully paid H Shares in issue immediately following completion of the Global Offering. Save as with the consent of the Stock Exchange where required, the Cornerstone Investors and their respective close associates will not subscribe for additional Offer Shares under the Global Offering otherwise than pursuant to the Cornerstone Investment Agreements.

The Cornerstone Investors have agreed to pay for the relevant Offer Shares that they have subscribed before dealings in the H Shares commence on the Stock Exchange.

The Offer Shares subscribed for by the Cornerstone Investors will be counted towards the public float of our Company under Rule 19A.13A of the Listing Rules. Immediately following completion of the Global Offering, none of the Cornerstone Investors or their respective close associates will become a substantial Shareholder by virtue of the Cornerstone Placing, and none will have any representation on our Board solely as a result of its cornerstone investment. Other than a guaranteed allocation of the relevant Offer Shares at the Offer Price, no Cornerstone Investor has been granted any preferential right under its Cornerstone Investment Agreement as compared with other public Shareholders. There are no side agreements or arrangements between our Company and any Cornerstone Investor, and no direct or indirect benefit has been conferred on any Cornerstone Investor by virtue of or in connection with 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 of our Directors' knowledge, information and belief, having made all reasonable enquiries, save as disclosed in this section, each Cornerstone Investor and its ultimate beneficial owner(s) is an Independent Third Party. The Cornerstone Investors make their investment decisions independently and are not accustomed to taking instructions from our Company, our Directors, chief executive, substantial shareholders, existing shareholders or their respective close associates in relation to the acquisition, disposal or voting of the Shares held by them. None of their subscriptions under the Cornerstone Placing is directly or indirectly financed by our Company, our Directors, chief executive, substantial shareholders, existing shareholders or their respective close associates.

Each Cornerstone Investor has confirmed that its subscription will be financed from its internal resources, funds provided by its shareholders or assets managed on behalf of its investors, as applicable, and that sufficient funds are available to settle its investment. Each Cornerstone Investor has also confirmed that it has obtained all approvals and authorisations necessary to enter into and perform its Cornerstone Investment Agreement and that no specific approval from any stock exchange (if relevant) is required for the relevant Cornerstone Placing.

The total number of Offer Shares to be subscribed for by the Cornerstone Investors under the Cornerstone Placing may be affected by reallocation of the Offer Shares between the International Offering and the Hong Kong Public Offering in the event of over-subscription under the Hong Kong Public Offering, as described in the paragraphs headed "Structure of the Global Offering — The Hong Kong Public Offering — Reallocation" in this prospectus. Further, the Sole Sponsor-Overall Coordinator and our 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 of our Company to be published on or around Monday, November 9, 2026.

DETAILS OF THE CORNERSTONE PLACING

The following tables set out the details of the Cornerstone Placing:

			Based on an Offer Price of HK$8.60 per Offer Shares (being the low-end of the indicative Offer Price range)	
Cornerstone Investor	**Subscription amount[3]**	**Number of Offer Shares[1]**	**Approximate % of the Offer Shares**	**Approximate % of the issued share capital[2]**
GF Fund Management	US$15,000,000 (HK$117,717,000)[4]	13,688,000	12.85%	1.28%
Guohui HK	US$10,000,000 (HK$78,478,000)[4]	9,125,000	8.56%	0.86%
Maxwell	RMB100,000,000 (HK$116,795,141)[4]	13,580,500	12.74%	1.27%
Total	**HK$312,990,141**	**36,393,500**	**34.15%**	**3.42%**

			Based on an Offer Price of HK$9.10 per Offer Shares (being the mid-point of the indicative Offer Price range)	
Cornerstone Investor	**Subscription amount[3]**	**Number of Offer Shares[1]**	**Approximate % of the Offer Shares**	**Approximate % of the issued share capital[2]**
GF Fund Management	US$15,000,000 (HK$117,717,000)[4]	12,935,500	12.14%	1.21%
Guohui HK	US$10,000,000 (HK$78,478,000)[4]	8,623,500	8.09%	0.81%
Maxwell	RMB100,000,000 (HK$116,795,141)[4]	12,834,500	12.04%	1.21%
Total	**HK$312,990,141**	**34,393,500**	**32.28%**	**3.23%**

			Based on an Offer Price of HK$9.60 per Offer Shares (being the high-end of the indicative Offer Price range)	
Cornerstone Investor	**Subscription amount[3]**	**Number of Offer Shares[1]**	**Approximate % of the Offer Shares**	**Approximate % of the issued share capital[2]**
GF Fund Management	US$15,000,000 (HK$117,717,000)[4]	12,262,000	11.51%	1.15%
Guohui HK	US$10,000,000 (HK$78,478,000)[4]	8,174,500	7.67%	0.77%
Maxwell	RMB100,000,000 (HK$116,795,141)[4]	12,166,000	11.42%	1.14%
Total	**HK$312,990,141**	**32,602,500**	**30.59%**	**3.06%**

Notes:

(1) Subject to rounding down to the nearest whole board lot of 500 Offer Shares.

(2) Assuming no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the Listing.

(3) For illustrative purpose, 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 and/or United States dollars based on the exchange rate as disclosed in "Information about this Prospectus and the Global Offering — Exchange Rate Conversion" in this prospectus.

(4) The actual investment amount excludes brokerage, the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy.

THE CORNERSTONE INVESTORS

The information regarding the Cornerstone Investors set out below has been provided by the respective Cornerstone Investors in connection with the Cornerstone Placing.

GF Fund

GF Fund Management Co., Ltd. (廣發基金管理有限公司) ("**GF Fund Management**") was established on August 5, 2003. As of December 31, 2025, its assets under management exceeded RMB2 trillion. It offers a comprehensive range of product offerings, covering active equity, bonds, money market, overseas investments, passive investments, FOF, and quantitative hedging, among others, to meet the diversified investment needs of domestic and international clients. The controlling shareholder of GF Fund Management is GF Securities Co., Ltd. ("**GF Securities**"), a limited company listed on the Stock Exchange (stock code: 1776) and the Shenzhen Stock Exchange (stock code: 000776), holding a 54.53% equity interest in GF Fund Management. Apart from GF Securities, no other shareholder holds 30% or more of the equity in GF Fund Management.

GF Fund Management will subscribe for the Offer Shares as cornerstone investors in its capacity as the discretionary investment manager of certain funds under its management. To the best knowledge of GF Fund Management, each fund is an independent third party, and no ultimate beneficial owner holds 30% or more interest.

Guohui HK

Guohui (HK) Holdings Co., Limited (國惠(香港)控股有限公司) ("**Guohui HK**") is a company incorporated in Hong Kong with limited liability and is principally engaged in investments with a focus on new energy, new materials and new technologies sectors. Guohui HK is wholly owned by Shandong Development Investment Holding Group Co., Ltd. (山東發展投資控股集團有限公司), which is owned as to approximately 97.88% by the State-owned Assets Supervision and Administration Commission of Shandong Province (山東省人民政府國有資產監督管理委員會).

Maxwell

Maxwell Technology Pte. Ltd. ("**Maxwell**") is a company incorporated in Singapore on March 11, 2020 and principally engaged in the wholesale of other machinery and equipment not elsewhere classified. It is directly wholly-owned by Suzhou Maxwell Technologies Co., Ltd. ("**Suzhou Maxwell**"), a company incorporated in the PRC and listed on the Shenzhen Stock Exchange (stock code: 300751). Suzhou Maxwell is principally engaged in the design, R&D, production and sales of intelligent manufacturing equipment.

Maxwell Technologies (Zhuhai) Co., Ltd. (邁為技術(珠海)有限公司) ("**Maxwell Zhuhai**"), which is owned as to 90% by Suzhou Maxwell, was a supplier of our Group during the Track Record Period. Our Group entered into purchase agreements with Maxwell Zhuhai in the ordinary course of business on normal commercial terms and on an arm's length basis. The Cornerstone Placing to Maxwell and the commercial arrangements between the parties are not inter-conditional.

CLOSING CONDITIONS

The obligation of each Cornerstone Investor to subscribe for the Offer Shares under its Cornerstone Investment Agreement is subject to, among other things, the following conditions:

(a) the Hong Kong Underwriting Agreement and the International Underwriting Agreement having been entered into and having become effective and unconditional in accordance with their terms, or as waived or varied by the parties thereto, by the respective deadlines specified therein, and neither agreement having been terminated;

(b) the Offer Price having been agreed between our Company and the Sole Sponsor-Overall Coordinator, for itself and on behalf of the Underwriters;

(c) the Listing Committee having granted approval for the listing of, and permission to deal in, the H Shares, including the Offer Shares to be subscribed for under the Cornerstone Placing, and all relevant approvals, permissions and waivers having not been revoked prior to the commencement of dealings in the H Shares on the Stock Exchange;

(d) the CSRC having accepted the relevant filing and published the filing results on its website, and such notice of acceptance and/or filing results not having otherwise been rejected, withdrawn, revoked or invalidated prior to the commencement of dealings in the H Shares on the Stock Exchange;

(e) no law having been enacted or promulgated, and no order or injunction of a court of competent jurisdiction being in effect, that prohibits or precludes completion of the Global Offering or the transactions contemplated in the Global Offering or in the relevant Cornerstone Investment Agreement; and

(f) the representations, warranties, acknowledgements, undertakings and confirmations of the relevant Cornerstone Investor under its Cornerstone Investment Agreement being accurate, true and complete in all respects and not misleading or deceptive at the dates specified in that agreement, and there being no material breach of that agreement by the relevant Cornerstone Investor.

RESTRICTIONS ON THE CORNERSTONE INVESTORS

Each of the Cornerstone Investors has agreed that it will not, whether directly or indirectly, at any time during the period of nine months commencing on and including the Listing Date, (the "**Lock-up Period**"), sell, transfer or otherwise dispose of any of the Offer Shares acquired under its Cornerstone Investment Agreement or any interest in an entity holding those Offer Shares, except in the circumstances permitted under that agreement or with the prior written consent of the Company, the Sole Sponsor and the Sole Sponsor-Overall Coordinator.

The permitted transfers include transfers to the relevant Cornerstone Investor's wholly-owned subsidiary, provided that the transferee agrees to be bound by the relevant Cornerstone Investor's obligations under the Cornerstone Investment Agreement, including the restrictions applicable during the remainder of the Lock-up Period. The original Cornerstone Investor will remain liable for the performance of those obligations.

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our financial statements and notes included in "Accountants' Report" as set out in Appendix I to this prospectus. The financial information as set out in the Accountants' Report incorporates the financial statements of our Company during the Track Record Period. You should read the whole Accountants' Report as set out in Appendix I to this prospectus and not rely merely on the information in this section. Our consolidated financial information has been prepared in accordance with IFRS Accounting Standards.

The following discussion and analysis contain forward-looking statements that involve risks and uncertainties. These statements are based on assumptions and analysis made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. You should not place undue reliance on any such statements. Our actual future results and timing of selected events could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under "Risk Factors," "Forward-Looking Statements" and elsewhere in this prospectus.

OVERVIEW

We are a provider of semiconductor assembly and testing services, principally engaged in developing packaging design, offering customized packaging products as well as packaging product testing service. According to Frost & Sullivan, upon the "post-Moore era" where growth in transistor density reaches its scaling limit, reliance on new semiconductor packaging architectures as a critical link between chip design and application, such as packaging techniques like miniaturization, thinning, high efficiency, and heterogeneous integration, becomes the key driver for enhancing performance, efficiency and flexibility of chip functionality. We are one of the companies in the PRC which has capability in traditional and advanced packaging technologies to drive breakthroughs in semiconductor innovation in the "post-Moore era" and support the development wave of the "AI+ era". Since our establishment in September 2020, we have explored the field of traditional and advanced packaging, accumulated extensive know-how on our packaging technology and equipped ourselves with mass-production capability for traditional and advanced packaging products, covering QFN, BGA, LGA, WLP and 2.5D/3D. We are among the few packaging product providers to have mastered this capability in the PRC. We launched "Chiplet and Advanced Package integration Center (CAPiC)", a platform to advance our technological know-how and continue to develop new technologies across all technical branches of the traditional and advanced packaging domain.

Our packaging products and testing service gained recognition from various well-established customers, resulting in a strong revenue growth during the Track Record Period. Our revenue increased from RMB509.1 million in 2023 to RMB827.4 million in 2024, and further to RMB1,012.2 million in 2025. Our revenue increased from RMB306.4 million for the four months ended April 30, 2025 to RMB359.7 million for the four months ended April 30, 2026. We had a loss for the period of RMB358.9 million, RMB376.6 million, RMB483.1 million, RMB163.6 million and RMB161.9 million in 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, respectively. Our adjusted net loss (non-IFRS measure), which was adjusted by adding back (i) interest on redemption liabilities, (ii) share-based payment expense; and (iii) IPO expenses, amounted to RMB266.3 million, RMB237.9 million, RMB273.9 million, RMB87.1 million and RMB101.0 million in 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, respectively.

Our advanced packaging portfolio comprises BGA, LGA, WLP, 2.5D/3D, as well as FC-QFN and FC-SOT, while our traditional packaging offerings include WB-QFN. For the three years ended December 31, 2023, 2024 and 2025, our revenue from advanced packaging amounted to RMB346.9 million, RMB587.2 million and RMB737.4 million in 2023, 2024 and 2025, respectively, while our revenue from traditional packaging amounted to RMB161.5 million, RMB236.5 million and RMB271.2 million, respectively.

BASIS OF PREPARATION

The historical financial information has been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (the "**IASB**"). All IFRS Accounting Standards effective for the accounting period commencing from January 1, 2026, together with the relevant transitional provisions, have been early adopted by our Group in the preparation of the historical financial information throughout the Track Record Period. Our historical financial information has been prepared under the historical cost convention, except for financial assets at fair value through profit or loss, derivative financial instruments and debt investments at fair value through other comprehensive income.

MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATIONS

The growth and future success of our business depend on many factors. While each of these factors presents significant opportunities for our business, they also pose challenges that we must successfully address in order to sustain our growth and improve our results of operations.

General Factors

- overall economic growth and conditions;
- development and prosperity of the global semiconductor industry, in particular the semiconductor packaging and testing market;
- conditions of the downstream markets of the semiconductor industry and the resulting fluctuations in customer demand;
- technology development and competition in the semiconductor industry; and
- relevant laws and regulations, government policies and initiatives.

Company-specific Factors

Our Customer Relationship and Sales Network

During the Track Record Period, our products were all sold through direct sales. As many of our customers are well-known companies with a significant market share in their respective end-customer markets, having direct connections with them enables us to precisely understand and respond to their requirements. We gain customers primarily by capitalizing on the brand reputation and substantial industry influence established through collaboration with top-tier companies across diverse application areas, together with other marketing activities. Our ability to expand and efficiently manage our sales network remains critical to our business and financial performance. During the Track Record Period, the PRC was a focus in our business development, and customers in the PRC contributed to a majority of our revenue while we also generated revenue from overseas customers. Building on such foundation, we plan to optimize and expand our sales network and to further expand our customer base in the PRC and overseas. Specifically, we plan to attract new customers across a broader spectrum of industries by continually launching innovative packaging products and deepen collaborations with existing customers by exploring new areas of cooperation with our new and enhanced offerings. Through stable and lasting collaboration with customers, we have acquired know-how in their respective application scenarios. A loyal and growing customer base will help us increase solutions and services we provide.

Our Ability to Control Costs and Improve Operational Efficiency

We incurred operational expenses, which consisted of R&D expenses, selling and distribution expenses and administrative expenses. The R&D and provision of packaging products and testing service are capital intensive. Our focus on the R&D of new technologies and products also necessitates significant investment. High upfront investment in R&D enabled us to build our market leadership and is expected to yield long-term results. As our business grows, we expect to benefit from our accumulated technological expertise to foster sustained innovation with heightened efficiency. The potential of packaging is vast, and we are poised to tap into this potential by broadening its applications. Accordingly, we are committed to furthering our R&D efforts to maintain a solid position in the industry. As we continue to scale up the provision of our packaging products and testing service, we expect to be able to manage the increase in our cost of sales, while sustaining more rapid revenue growth and fully unleashing economies of scale. In addition, our proprietary technologies in relation to packaging products and testing service are expected to help us enhance our efficiency and lower material costs.

Product and Service Mix

We maintain a diversified product and service portfolio to meet evolving customer demands and deliver long-term growth and profitability. We offer diverse packaging products and testing service, including QFN, BGA, LGA, WLP and 2.5D/3D, across a range of application scenarios and a wide spectrum of end markets. Within each product category, we offer multiple series with different specifications to meet the specific performance and functional requirements of different application scenarios diversified customer demands. Our diversified product and service portfolio can help us mitigate reliance on one single product category and enhance our resilience against industry-wide volatility. The selling prices for different products and services are different due to, among others, the differences in product complexity, R&D investment and costs. Our product and service mix may change in response to the market condition and technological changes in the end markets to which our products and services are adopted. Significant changes in product mix can directly affect our financial performance, which in turn affects our results of operations.

Our Ability to Enhance Technology and Offer New Products

The growth of our revenue depends on our ability to make technological advancements and develop products and solutions that meet the evolving needs of our customers. Our success depends on our ability to anticipate industry trends and develop packaging technologies with high performance that meet the evolving demands of our customers. We are able to offer packaging products and testing service, including QFN, BGA, LGA, WLP and 2.5D/3D, to make them compatible with diverse customer needs. We are able to rapidly respond to specialized customer needs, develop and validate customized packaging products and put viable projects into production, thereby unleashing the full potential of our R&D and technological strengths. Our continued success depends significantly on our ability to advance our technologies and offer innovative packaging products to cater for customers' evolving demands. We endeavor to further iterate and diversify our products and solutions to seize market opportunities in a broad range of application scenarios.

Our Continual Investment in R&D Talent

Highly skilled and talented R&D personnel enable us to maintain a solid position in the packaging and testing market and are therefore critical to our success. Our leadership is sustained by a robust R&D team, many of whom are semiconductor industry veterans with profound expertise in technology innovation. To compete for top talents in a competitive market, we offer attractive compensation and have a comprehensive training system designed to help employees grow knowledge and expertise in new semiconductor technology areas. We also intend to continue attracting top talents in the packaging and testing market, thereby further strengthening our R&D capabilities. While this strategy may elevate R&D expenses, it will position us closer to our leading international customers, enable us to respond promptly to their requirements, expedite product launches and bolster customer retention.

MATERIAL ACCOUNTING POLICY INFORMATION

We have identified various accounting policies that are material to the preparation of our financial information, and the understanding of our financial condition and results of operations, details of which are disclosed in note 2 of the Accountants' Report in Appendix I to this prospectus.

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 ("**CGU**")'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 CGU to which the asset belongs.

In testing a CGU for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual CGU if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of CGU.

An impairment loss is recognized only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of 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 recognized impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognized impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortization) had no impairment loss been recognized for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

We assess whether there is any indication of impairment for all non-financial assets (mainly including property, plant and equipment, right-of-use assets and intangible assets) of CGUs in accordance with IAS 36 Impairment of Assets, and there is no indication of impairment for non-financial assets of other CGUs other than the Nanjing CGU. Given that we sustained losses throughout the Track Record Period as we were still at the stage of expanding our business and operations, and are continuously investing in research and development, indicating potential impairment of our non-financial assets of the Nanjing CGU (including property, plant and equipment, right-of-use assets and other intangible assets), we carried out impairment testing of Nanjing CGU as of December 31, 2023, 2024 and 2025. The carrying amount of non-financial assets (including property, plant and equipment, right-of-use assets and other intangible assets) as of December 31, 2023, 2024 and 2025 and April 30, 2026, is RMB1,900.6 million, RMB2,080.9 million, RMB2,263.0 million, and RMB2,328.0 million respectively. Property, plant and equipment consist of machinery, general electronic equipment, transportation equipment, office equipment, buildings, construction in progress, leasehold improvements. The right-of-use assets consist of buildings and land use right. Other intangible assets consist of software, patents and licenses. We considered that property, plant and equipment, right-of-use assets and other intangible assets are all attributable to the Nanjing CGU.

For the purpose of impairment review, the carrying amount of non-financial assets were compared to the corresponding recoverable amount, which were based predominantly on value-in-use. Value in use is the present value of the future cash flows expected to be derived from an asset or the Nanjing CGU. Since the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, the recoverable amount is determined for the Nanjing CGU to which the asset belongs. We estimated the expected future cash flows from the CGU and selected the suitable discount rate in order to calculate the present value of those cash flows. In addition, we engaged an independent external valuer to assess the recoverable amount of the Nanjing CGU and leveraged our experiences in the packaging and testing market and provided forecast based on past performance and expectation of future business plans and market developments.

As of December 31, 2023, 2024 and 2025 and April 30, 2026, the recoverable amount of the Nanjing CGU was determined based on value in use calculation using cash flow projections from financial budgets approved by senior management covering a 9.5-year period for 2023 year-end impairment test, a 8.5-year period for 2024 year-end impairment test, a 7.5-year period for 2025 year-end impairment test, and a 7-year period for impairment test as of April 30, 2026. We consider the use of a cash flow projection period exceeding five years to be appropriate and reasonable notwithstanding our gross loss position during the Track Record Period. Advanced semiconductor packaging production lines generally require an extended period for equipment commissioning, customer qualification and validation and production ramp-up. In the case of the Nanjing CGU, the first five years of operation represent principally the production ramp-up stage, during which capacity utilisation has not yet reached a steady-state level, while a significant portion of the CGU's expected cash flow contribution is expected to arise during years four to seven as production capacity and utilisation progressively ramp up. Accordingly, limiting the detailed cash flow projection to five years and extrapolating the fifth-year cash flow thereafter would not appropriately reflect the non-linear ramp-up profile of the Nanjing CGU.

The projection period was determined with reference to, among other things, the remaining economic useful lives of the core production equipment of the Nanjing CGU and the expected ramp-up of its capacity utilisation. Management also considered its experience in the advanced semiconductor packaging industry and its historical budgeting and forecasting processes in assessing the reliability of the longer-term projections. At the end of the projection period, the relevant core production equipment is expected to reach the end of its economic useful life and, accordingly, no perpetual growth rate was applied thereafter. Based on the assessment result, value in use is greater than carrying amounts of property, plant and equipment, right-of-use assets and intangible assets, hence, no impairment was recognized.

The following table sets out our key assumptions used in the impairment assessment of the Nanjing CGU as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
Annual revenue growth rate	12.08%-63.31%	13.25%-86.60%	9.86%-50.61%	6.49%-64.03%
Pre-tax discount rate	11.55%	11.66%	11.90%	12.05%

The forecasted annual revenue growth rate used in the impairment testing were determined by us based on our past performance and expectation for market development. Discount rates reflect market assessments of the time value and the specific risks relating to the industry. These estimates and judgments may be affected by unexpected changes in the future market or economic conditions. Our Directors have considered the reasonably possible changes to the key assumptions as adopted in the impairment assessments and considered such changes would not result in any impairment charge to be recognized.

SIGNIFICANT ACCOUNTING JUDGMENT AND ESTIMATES

The preparation of our Group's historical financial information requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future. For details on our judgments and estimates, which are important for understanding our financial condition and results of operations, see note 2 to the Accountants' Report as set out in Appendix I.

DESCRIPTION OF SELECTED COMPONENTS OF CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

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

	For the year ended December 31,			For the four months ended April 30	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Revenue	509,077	827,374	1,012,159	306,371	359,672
Cost of sales	(704,700)	(993,932)	(1,194,623)	(369,063)	(423,933)
Gross loss	**(195,623)**	**(166,558)**	**(182,464)**	**(62,692)**	**(64,261)**
Other income and gains	70,597	101,699	68,326	22,461	23,416
Selling and distribution expenses	(9,007)	(10,302)	(11,887)	(3,962)	(4,242)
Administrative expenses	(53,425)	(62,313)	(117,374)	(43,338)	(28,256)
R&D expenses	(76,623)	(93,764)	(86,166)	(32,879)	(29,846)
(Provision for impairment)/ reversal of impairment of financial assets, net	(2,372)	(3,818)	1,605	2,353	(1,705)
Other expenses	(4,954)	(12,800)	(1,458)	(1,713)	(868)
Finance costs	(88,502)	(129,355)	(153,670)	(43,867)	(56,144)
Share of profit of a joint venture	1,017	633	–	–	–
Loss before tax	(358,892)	(376,578)	(483,088)	(163,637)	(161,906)
Income tax expense	–	–	–	–	–
Loss for the year/period	(358,892)	(376,578)	(483,088)	(163,637)	(161,906)
Other comprehensive income	–	–	–	–	–
Total comprehensive loss for the year/period	**(358,892)**	**(376,578)**	**(483,088)**	**(163,637)**	**(161,906)**
Total comprehensive loss attributable to:					
Owners of the parent	(348,795)	(356,118)	(437,165)	(155,648)	(138,044)
Non-controlling interests	(10,097)	(20,460)	(45,923)	(7,989)	(23,862)
	(358,892)	(376,578)	(483,088)	(163,637)	(161,906)
Loss per share attributable to ordinary equity holders of the parent					
Basic and diluted (RMB)	(0.44)	(0.40)	(0.47)	(0.17)	(0.14)

Non-IFRS Financial Measures

To supplement our consolidated financial statements, which are presented in accordance with IFRS, we also use adjusted net loss (Non-IFRS measure) and adjusted EBITDA (Non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with IFRS. We believe these non-IFRS measures facilitate comparisons of operating performance from year to year and company to company by eliminating potential impacts of certain items. We believe these measures provide useful information to investors and others in understanding and evaluating our combined results of operations in the same manner as they help our management. However, such non-IFRS financial measures we presented may not be directly comparable to similar measures presented by other companies. The use of these non-IFRS measures should not be considered as substitute for analysis of, our results of operations or financial condition as reported under IFRS.

The following table reconciles our adjusted net loss (Non-IFRS measure) and adjusted EBITDA (Non-IFRS measure).

	For the year ended December 31,			For the four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Loss for the year/period	(358,892)	(376,578)	(483,088)	(163,637)	(161,906)
Add:					
Interest on redemption liabilities[(1)]	66,499	103,028	124,957	35,439	43,809
Share-based payment expenses[(2)]	26,080	35,682	74,529	41,058	15,773
IPO expenses	–	–	9,695	–	1,302
Adjusted net loss (non-IFRS measure)	**(266,313)**	**(237,868)**	**(273,907)**	**(87,140)**	**(101,022)**
Add:					
Interest on bank and other borrowings & interest on lease liabilities & others	22,003	26,327	28,713	8,428	12,335
Depreciation and amortization	200,933	272,743	330,116	100,134	130,923
Subtract:					
Interest income	3,452	1,432	1,011	156	245
Adjusted EBITDA (non-IFRS measure)	**(46,829)**	**59,770**	**83,911**	**21,266**	**41,991**

Notes:

(1) We adjust interest on redemption liabilities because it is a non-cash. It arises from redemption rights issued to Pre-IPO Investors, which will be terminated and re-designated to equity upon Listing.

(2) We adjust share-based payment expenses because they are non-cash in nature.

We recorded adjusted net loss (non-IFRS measure), which eliminates the impact of interest on redemption liabilities, share-based payment expenses and IPO expenses, was RMB266.3 million, RMB237.9 million, RMB273.9 million, RMB87.1 million and RMB101.0 million for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, respectively. Our adjusted net loss (non-IFRS measure) decreased from RMB266.3 million in 2023 to RMB237.9 million in 2024. This improvement was primarily driven by: (i) the narrowing of our gross loss from RMB195.6 million in 2023 to RMB166.6 million in 2024 due to initial economies of scale; and (ii) an increase in other income and gains from RMB70.6 million to RMB101.7 million. Our adjusted net loss (non-IFRS measure) subsequently increased to RMB273.9 million in 2025, and increased from RMB87.1 million for the four months ended April 30, 2025 to RMB101.0 million for the four months ended April 30, 2026. This widening of adjusted net loss (non-IFRS measure) was primarily attributable to (i) an increase in depreciation and amortization expenses, which increased from RMB272.7 million in 2024 to RMB330.1 million in 2025, and from RMB100.1 million for the four months ended April 30, 2025 to RMB130.9 million for the four months ended April 30, 2026, reflecting the massive investments in property, plant and equipment as we scaled up our mass production capacity; and (ii) a decrease in other income and gains from RMB101.7 million in 2024 to RMB68.3 million in 2025. Despite the widening of our adjusted net loss (non-IFRS measure) in 2025 and for the four months ended April 30, 2026, by further excluding depreciation, amortization, and net interest items, our adjusted EBITDA (non-IFRS measure) turned from a loss of RMB46.8 million in 2023 to positive RMB59.8 million in 2024, and further improved to positive RMB83.9 million in 2025, and increased from RMB21.3 million for the four months ended April 30, 2025 to RMB42.0 million for the four months ended April 30, 2026. This continuous improvement in adjusted EBITDA (non-IFRS measure) demonstrates the growing operational efficiency and underlying profitability of our business model as we scale.

Revenue

During the Track Record Period, we generated revenue from (i) providing packaging products and testing service (including providing QFN, BGA, LGA, WLP and 2.5D/3D); and (ii) others.

Revenue by type of goods or services

During the Track Record Period, we generated revenue from the provision of packaging products and testing service and others. We recorded total revenue of RMB509.1 million, RMB827.4 million, RMB1,012.2 million, RMB306.4 million and RMB359.7 million for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026. The following table sets forth a breakdown of our revenue by business segments for the periods indicated.

	For the year ended December 31,						For the four months ended April 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(unaudited)			
Provision of packaging products and testing service	508,351	99.9	823,661	99.6	1,008,549	99.6	305,673	99.8	358,353	99.6
Others[(1)]	726	0.1	3,713	0.4	3,610	0.4	698	0.2	1,319	0.4
Total	**509,077**	**100.0**	**827,374**	**100.0**	**1,012,159**	**100.0**	**306,371**	**100.0**	**359,672**	**100.0**

Note:

(1) Others mainly include the sales of scrap and materials.

Provision of packaging products and testing service

Provision of packaging products and testing service are the backbone of our business. During the Track Record Period, we continued expanding our business presence by offering packaging products and testing service. As our order volume continued to grow, our provision of packaging products and testing service experienced robust revenue growth. Revenue generated from provision of packaging products and testing service increased from RMB508.4 million for the year ended December 31, 2023 to RMB823.7 million for the year ended December 31, 2024, and further to RMB1,008.5 million for the year ended December 31, 2025 accounting for 99.9%, 99.6% and 99.6% of our total revenue for the same periods, respectively. Revenue generated from provision of packaging products and testing service increased from RMB305.7 million for the four months ended April 30, 2025, to RMB358.4 million for four months ended April 30, 2026, accounting for 99.8% and 99.6% of our total revenue respectively. The following table sets forth a breakdown of our revenue from providing packaging and testing service by types for the periods indicated:

	For the year ended December 31,						For the four months ended April 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(unaudited)			
QFN[(1)]	172,831	34.0	277,016	33.6	313,183	31.1	90,266	29.5	123,784	34.5
BGA[(2)]	183,455	36.1	244,084	29.6	305,549	30.3	102,873	33.7	97,340	27.2
LGA[(3)]	82,003	16.1	149,955	18.2	213,032	21.1	60,305	19.7	86,478	24.1
WLP[(4)]	70,057	13.8	152,003	18.5	176,541	17.5	52,229	17.1	50,751	14.2
2.5D/3D[(5)]	5	–	603	0.1	244	–	–	–	–	–
Total	**508,351**	**100.0**	**823,661**	**100.0**	**1,008,549**	**100.0**	**305,673**	**100.0**	**358,353**	**100.0**

Notes:

(1) QFN includes FC-QFN, WB-QFN and FC-SOT, of which FC-QFN and FC-SOT are advanced packaging products and WB-QFN is a traditional packaging product.

(2) BGA includes FC-BGA, WB-BGA and Hybrid-BGA, all of which are advanced packaging products.

(3) LGA includes FC-LGA, WB-LGA, Hybrid LGA and SiP-LGA, all of which are advanced packaging products.

(4) WLP includes Bumping, DPS, WLP (Fan-In) and WLP (Fan-Out), all of which are advanced packaging products.

(5) 2.5D/3D includes FOCT-R, which is an advanced packaging product.

During the Track Record Period, revenue from the provision of packaging products and testing service increased consistently. This positive performance was primarily attributable to (i) the growth of the PRC's consumer electronics market has driven an increase in demand for semiconductor products among our end-customers, which has led to higher demand from our customers for our packaging products and testing service; (ii) we have enhanced our overall production capacity by investing in additional equipment and recruiting more personnel. This expanded capacity has enabled us to fulfill the needs of a larger number of customers; (iii) the stable yield rate of our products has strengthened customers' confidence in our manufacturing quality and reliability, thereby driving an increase in their order volumes; and (iv) as we have gradually established a stronger market reputation and brand presence, we have continued to secure new customers, thereby expanding our customer base. For details, see "Period-to-period Comparisons of Results of Operations" in this section.

Others

We sell scrap and materials, primarily consisting of scrap copper and other metal materials to our customers. Revenue derived from the sales of scrap and materials amounted to RMB0.7 million, RMB3.7 million, RMB3.6 million, RMB0.7 million and RMB1.3 million for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026,

respectively. The higher revenue in 2024 and 2025 as compared to 2023 was primarily due to the disposal of accumulated scrap and a general increase in materials available for sale, which aligned with our overall business growth during these periods.

Revenue by geographical markets

We predominantly market and provide our products and services within the PRC, which is and will remain to be the core focus of our business. The table below details the percentage of our total sales during the Track Record Period based on geographical regions as follows:

	For the year ended December 31,						For the four months ended April 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(unaudited)			
PRC	489,264	96.1	807,167	97.6	957,873	94.6	302,651	98.8	337,002	93.7
Taiwan, China	–	–	253	–	9,154	0.9	788	0.2	12,382	3.4
Hong Kong	18,826	3.7	19,289	2.3	9,703	1.0	2,932	1.0	5,017	1.4
United States	987	0.2	665	0.1	35,429	3.5	–	–	5,271	1.5
Total	**509,077**	**100.0**	**827,374**	**100.0**	**1,012,159**	**100.0**	**306,371**	**100.0**	**359,672**	**100.0**

Our sales in the PRC comprise over 90% of the total revenue for each period of the Track Record Period. We recorded revenue generated from the PRC of RMB489.3 million, RMB807.2 million, RMB957.9 million, RMB302.7 million and RMB337.0 million for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, accounting for 96.1%, 97.6%, 94.6%, 98.8% and 93.7% of our total revenue for same periods, respectively. In addition, we established our business presence in Taiwan, China, Hong Kong and the United States. We recorded revenue generated from Taiwan, China, Hong Kong and the United States of RMB19.8 million, RMB20.2 million, RMB54.3 million, RMB3.7 million and RMB22.7 million for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, accounting for 3.9%, 2.4%, 5.4%, 1.2% and 6.3% of our total revenue for same periods, respectively.

Breakdown of Revenue by Downstream Product Applications

The following table sets forth a breakdown of our revenue generated from the sales of our products, categorised based on their ultimate applications in the downstream products of our customers, for the periods indicated:

	For the year ended December 31,						For the four months ended April 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Consumer Electronics	330,276	65.0	558,649	67.8	547,109	54.3	189,586	62.0	204,852	57.2
Communication	120,225	23.6	226,507	27.5	405,824	40.2	105,063	34.4	137,605	38.4
Industrial & Medical	53,885	10.6	35,829	4.3	43,429	4.3	8,546	2.8	10,114	2.8
Car Electronic	1,881	0.4	452	0.1	5,665	0.6	2,026	0.7	3,729	1.0
Data Center	2,084	0.4	2,224	0.3	6,521	0.6	453	0.1	2,053	0.6
Total	**508,351**	**100.0**	**823,661**	**100.0**	**1,008,549**	**100.0**	**305,673**	**100.0**	**358,353**	**100.0**

During the Track Record Period, revenue derived from products ultimately applied in the consumer electronics and communication sectors together accounted for the vast majority of our revenue from the provision of packaging products and testing service.

Revenue from products applied in downstream consumer electronics increased significantly from RMB330.3 million in 2023 to RMB558.6 million in 2024, primarily driven by our efforts to expand the application of our products among customers serving the consumer electronics sector, together with stronger procurement demand from the relevant downstream markets. Such revenue remained relatively stable at RMB547.1 million in 2025. Its contribution to our revenue from the provision of packaging products and testing service decreased from 67.8% in 2024 to 54.3% in 2025, mainly as revenue from communication applications grew at a faster pace during the year. Revenue from consumer electronics applications increased from RMB189.6 million for the four months ended April 30, 2025 to RMB204.9 million for the four months ended April 30, 2026, reflecting continued demand from customers serving the consumer electronics sector.

Revenue from products applied in downstream communication products increased from RMB120.2 million in 2023 to RMB226.5 million in 2024 and further to RMB405.8 million in 2025, with its contribution to our revenue from the provision of packaging products and testing service increasing from 23.6% to 27.5% and further to 40.2%, respectively. Such increases were primarily attributable to increasing market demand for communication infrastructure and devices, which drove the procurement demand of our customers and enabled us to further increase our penetration among customers in the communication supply chain. Revenue from communication applications further increased from RMB105.1 million for the four months ended April 30, 2025 to RMB137.6 million for the four months ended April 30, 2026, and continued to be a major driver of our revenue growth during the period.

Revenue from products applied in the industrial and medical sectors decreased from RMB53.9 million in 2023 to RMB35.8 million in 2024, primarily due to fluctuations in the procurement schedules of several major customers in these sectors, and subsequently increased to RMB43.4 million in 2025. For the four months ended April 30, 2026, such revenue increased to RMB10.1 million from RMB8.5 million for the four months ended April 30, 2025 and remained relatively stable as a percentage of our revenue from the provision of packaging products and testing service.

Revenue from products applied in car electronics and data center applications remained relatively insignificant during the Track Record Period, collectively contributing RMB4.0 million, RMB2.7 million, RMB12.2 million, RMB2.5 million and RMB5.8 million for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, respectively.

Cost of Sales

Our cost of sales primarily consists of (i) raw material costs, (ii) labor expenses, (iii) power expenses, (iv) depreciation and amortization, and (v) others. We recorded the cost of sales of RMB704.7 million, RMB993.9 million, and RMB1,194.6 million for the years ended December 31, 2023, 2024 and 2025, respectively, and we recorded cost of sales of RMB369.1 million and RMB423.9 million for the four months ended April 30, 2025 and 2026, respectively. The following table sets forth a breakdown of our cost of sales by nature for the periods indicated.

	For the year ended December 31,						For the four months ended April 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(unaudited)			
Raw material costs	239,307	34.0	346,192	34.8	417,751	35.0	128,494	34.9	139,246	32.9
Labor expenses	155,555	22.1	224,899	22.7	255,710	21.4	86,373	23.4	89,399	21.1
Power expenses	45,124	6.4	71,711	7.2	86,334	7.2	25,605	6.9	33,938	8.0
Depreciation and amortization	181,529	25.8	240,516	24.2	304,643	25.5	90,485	24.5	118,796	28.0
Others[(1)]	83,185	11.7	110,614	11.1	130,185	10.9	38,106	10.3	42,554	10.0
Total	**704,700**	**100.0**	**993,932**	**100.0**	**1,194,623**	**100.0**	**369,063**	**100.0**	**423,933**	**100.0**

Note:

(1) Others mainly include equipment and facilities maintenance costs and tooling costs.

During the Track Record Period, raw material costs, depreciation and amortization and labor expenses accounted for the majority of our cost of sales. Raw material costs mainly include the costs for purchasing substrates, lead frame, adhesive, electronic components and bonding wire. Raw material costs increased from RMB239.3 million in 2023 to RMB346.2 million in 2024, and further to RMB417.8 million in 2025, and increased from RMB128.5 million for the four months ended April 30, 2025 to RMB139.2 million for the four months ended April 30, 2026, primarily due to our growing demand for raw materials driven by the rapid business growth. Depreciation and amortization expenses increased from RMB181.5 million in 2023 to RMB240.5 million in 2024, and further to RMB304.6 million in 2025, and increased from RMB90.5 million for the four months ended April 30, 2025 to RMB118.8 million for the four months ended April 30, 2026, mainly attributable to our purchase of new manufacturing equipment to support our business development. Labor expenses mainly include salaries, bonuses, social insurance contributions, housing provident funds, other employee benefits and share-based payment. Labor expenses increased from RMB155.6 million in 2023 to RMB224.9 million in 2024, and further to RMB255.7 million in 2025, and increased from RMB86.4 million for the four months ended April 30, 2025 to RMB89.4 million for the four months ended April 30, 2026, primarily due to our hiring of more employees as our business expanded.

Gross Loss and Gross Margin

The following table sets forth a breakdown of our gross loss and gross margin by type of goods or service for the periods indicated.

	For the year ended December 31,						For the four months ended April 30,			
	2023		2024		2025		2025		2026	
	Gross loss RMB'000	*Gross margin %*	*Gross loss RMB'000*	*Gross margin %*	*Gross loss RMB'000*	*Gross margin %*	*Gross loss RMB'000*	*Gross margin %*	*Gross loss RMB'000*	*Gross margin %*
							(unaudited)			
Packaging products and testing service	(196,347)	(38.6)	(170,009)	(20.6)	(184,955)	(18.3)	(63,343)	(20.7)	(65,262)	(18.2)
Others[(1)]	724	99.7	3,451	92.9	2,491	69.0	651	93.3	1,001	75.9
Total	**(195,623)**	**(38.4)**	**(166,558)**	**(20.1)**	**(182,464)**	**(18.0)**	**(62,692)**	**(20.5)**	**(64,261)**	**(17.9)**

Note:

(1) Others mainly include the sales of scrap and materials.

Our gross loss represents our revenue less our cost of sales, and our gross margin represents gross loss divided by our revenue, expressed as a percentage. Our gross loss decreased from RMB195.6 million in 2023 to RMB166.6 million in 2024 and increased to RMB182.5 million in 2025, and increased from RMB62.7 million for the four months ended April 30, 2025 to RMB64.3 million for the four months ended April 30, 2026. Our gross loss margin decreased from 38.4% in 2023 to 20.1% in 2024, and further decrease to 18.0% in 2025, and decreased from 20.5% for the four months ended April 30, 2025 to 17.9% for the four months ended April 30, 2026. Our continued gross loss position during the Track Record Period were attributable to the combined effect of (i) the substantial depreciation and amortisation expenses arising from our front-loaded investments in production facilities and equipment; (ii) the under-utilisation of production facilities, which resulted in fixed production costs being allocated over a lower production volume; (iii) pricing pressure arising from market competition and customer negotiations; (iv) changes in the sales contribution of products with different gross margin profiles; and (v) incremental costs incurred

during the ramp-up of new production facilities and products. During the Track Record Period, we have been steadily scaling up mass production in line with the increase of our sales volume, and hence revenue. As we had increased production volume, we were able to capitalize on the increasing market demands, and started to benefit from economies of scale in line with the increase of our sales volume, and hence revenue. As a result, our overall gross loss margin continued to be narrowed. In addition, the demands from our existing and new customers for packaging products and testing service grew alongside the development of consumer electronics market and their satisfaction with the yield rate of our packaging products. Going forward, we expect our gross loss margin to improve as we continue to capture market demands and benefit from economies of scale.

Gross loss and gross margin by product segment

The following table sets forth a breakdown of our gross loss and gross margin from the provision of packaging products and testing service by product segment for the periods indicated:

	For the year ended December 31,						For the four months ended April 30,			
	2023		2024		2025		2025		2026	
	Gross loss RMB'000	*Gross margin %*	*Gross loss RMB'000*	*Gross margin %*	*Gross loss RMB'000*	*Gross margin %*	*Gross loss RMB'000*	*Gross margin %*	*Gross loss RMB'000*	*Gross margin %*
QFN	(64,090)	(37.1)	(34,616)	(12.5)	(22,075)	(7.0)	(11,932)	(13.2)	3,455	2.8
BGA	(19,943)	(10.9)	(16,359)	(6.7)	(32,702)	(10.7)	(10,209)	(9.9)	(15,861)	(16.3)
LGA	(35,863)	(43.7)	(58,482)	(39.0)	(85,684)	(40.2)	(25,934)	(43.0)	(35,635)	(41.2)
WLP	(76,453)	(109.1)	(61,146)	(40.2)	(44,738)	(25.3)	(15,268)	(29.2)	(17,221)	(33.9)
2.5D/3D	2	40.0	594	98.5	244	100.0	–	–	–	–
Total	**(196,347)**	**(38.6)**	**(170,009)**	**(20.6)**	**(184,955)**	**(18.3)**	**(63,343)**	**(20.7)**	**(65,262)**	**(18.2)**

During the Track Record Period, the gross loss margin of our provision of packaging products and testing service narrowed from 38.6% in 2023 to 20.6% in 2024 and further to 18.3% in 2025, and further narrowed from 20.7% for the four months ended April 30, 2025 to 18.2% for the corresponding period in 2026. The movements in gross loss and gross loss margin across product segments mainly reflected changes in production scale, fixed cost absorption, average selling prices and the ramp-up of production facilities.

For QFN products, the gross loss margin narrowed significantly from 37.1% in 2023 to 7.0% in 2025 and turned to a gross profit margin of 2.8% for the four months ended April 30, 2026, primarily due to increased production scale, improved fixed cost absorption and higher average selling prices in 2026. For BGA products, the gross loss margin narrowed from 10.9% in 2023 to 6.7% in 2024, but widened to 10.7% in 2025 and 16.3% for the four months ended April 30, 2026, primarily due to pricing pressure arising from market competition and customer negotiations. For LGA products, the gross loss increased from RMB35.9 million in 2023 to RMB85.7 million in 2025 and further from RMB25.9 million for the four months ended April 30, 2025 to RMB35.6 million for the corresponding period in 2026, while the gross loss margin remained at a relatively high level, mainly due to substantial depreciation and amortisation expenses arising from the Yangzhou production base during its ramp-up stage.

For WLP products, the gross loss margin narrowed substantially from 109.1% in 2023 to 25.3% in 2025 as production scale increased and fixed cost absorption improved, but widened to 33.9% for the four months ended April 30, 2026, primarily due to increased depreciation expenses arising from additional WLP-related production equipment. Our 2.5D/3D products recorded gross profit during 2023 to 2025, but purchase orders were received in batch levels and current production activities were mainly non-recurring engineering (NRE) and engineering batches.

Movement of accumulated loss

The following table sets forth the movement of accumulated loss as extracted from the consolidated statements of changes in equity during the Track Record Period:

	For the year ended December 31,			For the four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
At January 1, ...	(523,311)	(872,106)	(544,042)	(544,042)	(981,207)
Loss for the year/period	(348,795)	(356,118)	(437,165)	(155,648)	(138,044)
Other comprehensive income for the year .	–	–	–	–	–
Total comprehensive loss for the year/period	(348,795)	(356,118)	(437,165)	(155,648)	(138,044)
Conversion of the Company to a joint stock company	–	684,182	–	–	–
At December 31/ April 30, ...	(872,106)	(544,042)	(981,207)	(699,690)	(1,119,251)

As of December 31, 2023, 2024 and 2025 and April 30, 2025 and 2026, we recorded accumulated losses of RMB872.1 million, RMB544.0 million, RMB981.2 million, RMB699.7 million and RMB1,119.3 million, respectively. The movement of our accumulated losses during the Track Record Period was primarily driven by our annual net losses. Specifically, our accumulated loss decreased from RMB872.1 million as of December 31, 2023 to RMB544.0 million as of December 31, 2024, which was primarily due to the offset of RMB684.2 million attributable to the conversion of our Company into a joint stock limited company. Our accumulated loss increased from RMB544.0 million as of December 31, 2024 to RMB981.2 million as of December 31, 2025, reflecting the net loss attributable to owners of the parent of RMB437.2 million incurred during the year.

Our accumulated loss position is a culmination of our capital-intensive early-stage expansion and significant non-cash expenses incurred to support our strategic growth. The underlying reasons for our historical net losses, which continuously fed into our accumulated losses, include: (i) as we remain in a period of commercial scaling, we have incurred significant fixed costs, predominantly comprising heavy depreciation and amortisation expenses related to our production facilities, such as our Nanjing production base, and our recently established Yangzhou production base which is currently in its initial ramp-up phase with relatively low utilisation rates; and (ii) a large proportion of our accumulated losses is derived from accrual of interest on redemption liabilities associated with our shares, and substantial share-based payment expenses incurred to incentivize key personnel. Our accumulated loss profile is consistent with technology and manufacturing businesses in their rapid scaling phases, prioritizing the establishment of operational capacity and infrastructure ahead of realizing full operational leverage and scale-driven profitability.

Other Income and Gains

Our other income and gains consist primarily of: (i) government grants, (ii) investment income, (iii) gain on disposal of items of property, plant and equipment, (iv) interest income, and (v) others. The following table sets forth a breakdown of our other income and gains for the periods indicated.

	For the year ended December 31,			For the Four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Government grants[(1)]	60,736	97,040	61,881	18,797	21,177
Investment income	4,998	2,531	1,339	294	278
Gain on disposal of items of property, plant and equipment	553	–	3,354	3,214	–
Interest Income	3,452	1,432	1,011	156	245
Foreign exchange gains, net	–	–	–	–	1,714
Others	858	696	741	–	2
Total	**70,597**	**101,699**	**68,326**	**22,461**	**23,416**

Note:

(1) We received our government grants from local government authorities to support our Group's capital and operating expenditure. For the years ended December 31, 2023, 2024 and 2025 and the four months ended 30 April 2025 and 2026, government grants amounting to RMB50.5 million, RMB94.3 million, RMB60.2 million, RMB22.2 million and RMB18.4 million respectively, were released from deferred income.

Selling and distribution expenses

Our selling and distribution expenses primarily consist of (i) employee benefit expenses, including wages and salaries and equity-settled share-based payment expenses for sales and marketing personnel, (ii) advertising expenses, (iii) business development expenses, and (iv) others.

The following table sets forth a breakdown of our selling and distribution expenses by nature for the periods indicated.

	For the year ended December 31,						For the four months ended April 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000 (unaudited)*	*%*	*RMB'000*	*%*
Employee benefit expenses										
– Wages and salaries	5,259	58.3	5,934	57.7	6,444	54.2	1,790	45.2	2,173	51.2
– Equity-settled share-based payment expenses	1,251	13.9	1,176	11.4	1,993	16.8	940	23.7	608	14.3
Advertising expenses	277	3.1	653	6.3	761	6.4	380	9.6	646	15.2
Business development expenses	1,682	18.7	2,043	19.8	2,070	17.4	685	17.3	618	14.6
Others	538	6.0	496	4.8	619	5.2	167	4.2	197	4.7
Total	**9,007**	**100.0**	**10,302**	**100.0**	**11,887**	**100.0**	**3,962**	**100.0**	**4,242**	**100.0**

Our selling and distribution expenses as a percentage of our revenue amounted to approximately 1.8%, 1.2%, 1.2%, 1.3% and 1.2% of our revenue in 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, respectively.

Administrative expenses

Our administrative expenses primarily consist of (i) employee benefit expenses, including wages and salaries and equity-settled share-based payment expenses for our management team and administrative personnel, (ii) depreciation and amortization expenses primarily related to land and leased properties, (iii) consulting and professional service expenses, including consulting service fees and legal service fees, (iv) office expenses, (v) IPO expenses, and (vi) other administrative expenses. The following table sets forth a breakdown of our administrative expenses by nature for the periods indicated.

	For the year ended December 31,						For the four months ended April 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(unaudited)			
Employee benefit expenses										
– Wages and salaries	19,765	37.0	25,099	40.3	39,953	34.0	14,091	32.5	10,063	35.6
– Equity-settled share-based payment expenses	13,569	25.4	12,649	20.3	39,826	33.9	22,930	52.9	6,469	22.9
Depreciation and amortization expenses	11,295	21.1	9,427	15.1	12,057	10.3	2,611	6.0	4,891	17.3
Consulting and professional service expenses	1,290	2.4	3,166	5.1	2,455	2.1	701	1.6	510	1.8
Office expenses	4,902	9.2	5,314	8.5	7,821	6.7	1,944	4.5	2,403	8.5
IPO expenses	–	–	–	–	9,695	8.3	–	–	1,302	4.6
Others[(1)]	2,604	4.9	6,658	10.7	5,567	4.7	1,061	2.5	2,618	9.3
Total	**53,425**	**100.0**	**62,313**	**100.0**	**117,374**	**100.0**	**43,338**	**100.0**	**28,256**	**100.0**

Note:

(1) Other administrative expenses mainly include hospitality expenses, insurance fees, fire safety expenses and environment protection fees.

Our administrative expenses as a percentage of our revenue amounted to approximately 10.5%, 7.5%, 11.6%, 14.1% and 7.9% of our revenue in 2023, 2024, 2025 and the four months ended April 30, 2025 and 2026.

R&D expenses

Our R&D expenses primarily comprise (i) employee benefit expenses, including wages and salaries and equity-settled share-based payment expenses for R&D personnel, (ii) depreciation and amortization expenses, mainly related to our equipment and facilities for R&D of our products and services, (iii) material costs associated with R&D activities, and (iv) other R&D expenses. The following table sets forth a breakdown of our R&D expenses by nature for the periods indicated:

	For the year ended December 31,						For the four months ended April 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(unaudited)			
Employee benefit expenses										
– Wages and salaries	54,211	70.8	57,823	61.6	50,680	58.8	16,534	50.3	18,375	61.5
– Equity-settled share-based payment expenses	6,178	8.1	11,901	12.7	20,920	24.3	9,790	29.8	5,300	17.8
Depreciation and amortization expenses	5,594	7.3	11,993	12.8	5,191	6.0	1,802	5.5	1,603	5.4
Material costs	2,257	2.9	2,699	2.9	2,088	2.4	1,231	3.7	1,319	4.4
Others[(1)]	8,384	10.9	9,348	10.0	7,287	8.5	3,522	10.7	3,249	10.9
Total	**76,623**	**100.0**	**93,764**	**100.0**	**86,166**	**100.0**	**32,879**	**100.0**	**29,846**	**100.0**

Note:

(1) Other R&D expenses mainly include mold expenses and testing fees for R&D activities and travel expenses for R&D personnel.

Our R&D expenses as a percentage of our revenue amounted to approximately 15.1%, 11.3%, 8.5%, 10.7% and 8.3% of our revenue in 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, respectively.

In the semiconductor packaging industry, companies that adopt the OSAT model typically incur upfront capital expenditures and R&D expenses ahead of an increase in production capacities. For the three years ended December 31, 2025, our upfront capital expenditure on R&D amounted to RMB14.5 million, mainly covering (i) the construction of R&D laboratories, (ii) procurement of R&D equipment and hardware, and (iii) other supporting capitalized R&D infrastructure investments. Such capital expenditure is not charged to profit or loss when incurred, but is recognized in profit or loss over the useful lives of the relevant assets by way of depreciation and amortization, and is therefore reflected in our R&D expenses set out above only through the depreciation and amortization charge. The depreciation and amortization included in our R&D expenses amounted to RMB22.8 million for the three years ended December 31, 2025 and RMB24.4 million during the Track Record Period, which exceeded our upfront capital expenditure on R&D incurred in the same period as it also includes depreciation and amortization of R&D assets acquired before the Track Record Period. Additions to property, plant and equipment and intangible assets are recognized when the relevant assets are acquired, while the related depreciation and amortization is recognized on an accrual basis over their estimated useful lives. In respect of shared equipment used for both R&D and production, adopting a prudent approach, we allocate the R&D portion of such capital expenditure based on the proportion of actual operating time the equipment is utilized for R&D activities versus production, and such basis of allocation has been applied throughout the Track Record Period.

Our R&D expenditure has not imposed, and is not expected to impose, any material upfront financial or operational burden on us before customers place confirmed orders. While our revenue grew from RMB509.1 million in 2023 to RMB1,012.2 million in 2025, our R&D expenses remained broadly stable, and the ratio of our R&D expenses to revenue declined as our operations scaled up. Our R&D activities are also primarily labor-related rather than capital-intensive, and a significant portion of the related expenses is non-cash in nature. Depreciation and amortization represented approximately 7.3%, 12.8% and 6.0% of our R&D expenses for the three years ended December 31, 2025, and equity-settled share-based payment expenses accounted for a further 8.1%, 12.7% and 24.3%, respectively. Excluding these non-cash items, the cash component of our R&D expenses amounted to approximately RMB64.9 million, RMB69.9 million and RMB60.1 million for the three years ended December 31, 2025, representing approximately 12.7%, 8.4% and 5.9% of our revenue, respectively, and has decreased in absolute terms since 2024. Our R&D efforts during the Track Record Period were also directed predominantly at existing products which are already generating revenue. As of the Latest Practicable Date, 3,268 of our ongoing product validation projects related to existing products, namely QFN, BGA, LGA and WLP packaging, while only 20 related to pipeline products for which customer orders have not yet been confirmed. For details, see "Business — Path to Profitability — Validation status".

Our R&D expenses are also predominantly staff costs, which we are able to adjust having regard to the development progress of the relevant technologies and the level of customer demand. We do not expect our R&D expenses to increase materially in absolute terms going forward, and expect our R&D expenses as a percentage of revenue to continue to decline as our revenue grows.

(Provision for impairment)/reversal of impairment of financial assets, net

We recorded provision for impairment of financial assets, net, which represented our trade and other receivables, of RMB2.4 million, RMB3.8 million and RMB1.7 million for the years ended December 31, 2023 and 2024 and the four months ended April 30, 2026. We recorded reversal of impairment of financial assets, net of RMB1.6 million and RMB2.4 million for the year ended December 31, 2025 and the four months ended April 30, 2025.

Other expenses

Our other expenses mainly comprised (i) foreign exchange losses; and (ii) changes in the fair value of the redemption rights of Yangzhou Chiplet. Our other expenses amounted to RMB5.0 million, RMB12.8 million, RMB1.5 million, RMB1.7 million and RMB0.9 million for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, respectively.

Finance costs

Our finance costs represent (i) interest on bank and other borrowings, (ii) interest on lease liabilities, (iii) interest on redemption liabilities, and (iv) others, which amounted to RMB88.5 million, RMB129.4 million, RMB153.7 million, RMB43.9 million and RMB56.1 million for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, respectively.

The following table sets forth a breakdown of our finance costs by nature for the periods indicated:

	For the year ended December 31,						For the four months ended April 30,			
	2023		2024		2025		2025		2026	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000*	*%*
							(unaudited)			
Interest on bank and other borrowings	19,184	21.7	24,009	18.6	26,539	17.3	7,815	17.8	11,768	21.0
Interest on lease liabilities	2,819	3.2	2,318	1.8	1,860	1.2	613	1.4	457	0.8
Interest on redemption liabilities	66,499	75.1	103,028	79.6	124,957	81.3	35,439	80.8	43,809	78.0
Others	–	–	–	–	314	0.2	–	–	110	0.2
Total	**88,502**	**100.0**	**129,355**	**100.0**	**153,670**	**100.0**	**43,867**	**100.0**	**56,144**	**100.0**

The interest on bank and other borrowings increased from RMB19.2 million in 2023 to RMB24.0 million in 2024 and further to RMB26.5 million in 2025, and increased from RMB7.8 million for the four months ended April 30, 2025 to RMB11.8 million for the four months ended April 30, 2026, primarily due to (i) the increased bank borrowings to meet our capital needs and to support our business expansion; and (ii) we entered into new sale and leaseback agreements for our equipment and machinery in 2023 and 2024. The interest on lease liabilities decreased from RMB2.8 million in 2023 to RMB2.3 million in 2024 and further decreased to RMB1.9 million in 2025, and decreased from RMB0.6 million for the four months ended April 30, 2025 to RMB0.5 million for the four months ended April 30, 2026, primarily due to the remaining lease term of our lease agreements decreased. The interest on redemption liabilities increased from RMB66.5 million in 2023 to RMB103.0 million in 2024 and further to RMB125.0 million in 2025, and increased from RMB35.4 million for the four months ended April 30, 2025 to RMB43.8 million for the four months ended April 30, 2026, primarily due to our cumulative redemption liabilities arising from the granting of new redemption rights to our shareholders during 2023 to 2025. No new redemption rights were granted during the four months ended April 30, 2026, and the increase in interest on redemption liabilities during the period was attributable to the accretion of interest on the outstanding redemption liabilities.

Share of profit of a joint venture

We recorded share of profit of a joint venture of RMB1.0 million, RMB0.6 million, nil, nil and nil for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, respectively.

Total comprehensive loss for the year

We recorded net losses of RMB358.9 million, RMB376.6 million, RMB483.1 million, RMB163.6 million and RMB161.9 million for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, respectively. The increase in our net losses was primarily attributable to (i) we made substantial strategic investments in property, plant, and equipment to build our mass production capabilities, and our depreciation of property, plant and equipment surged from RMB186.3 million in 2023 to RMB313.8 million in 2025, and from RMB95.2 million for the four months ended April 30, 2025 to RMB124.8 million for the four months ended April 30, 2026; (ii) our finance costs increased significantly from RMB88.5 million in 2023 to RMB153.7 million in 2025, and increased from RMB43.9 million for the four months ended April 30, 2025 to RMB56.1 million for the four months ended April 30, 2026. This was primarily driven by the interest accretion on the redemption liabilities associated with the shares

issued to our Pre-IPO investors. Such liabilities will be automatically reclassified into equity upon the Listing, after which these related finance costs will no longer be incurred; (iii) to attract and retain key talents for our long-term strategic growth, we incurred share-based payment expenses which increased from RMB26.1 million in 2023 to RMB74.5 million in 2025, notably driving the increase in our administrative expenses in 2025; (iv) while our revenue grew rapidly, our products were still in a gross loss position. The scaling of our business resulted in an absolute gross loss of RMB182.5 million in 2025 and RMB64.3 million for the four months ended April 30, 2026, although we have been continuously realizing economies of scale.

PERIOD-TO-PERIOD COMPARISONS OF RESULTS OF OPERATIONS

Four Months Ended April 30, 2026 Compared to Four Months Ended April 30, 2025

Revenue

Our total revenue increased from RMB306.4 million for the four months ended April 30, 2025, to RMB359.7 million for the four months ended April 30, 2026, primarily driven by the growth in our provision of packaging products and testing service, revenue from which increased from RMB305.7 million to RMB358.4 million over the same period. Such increase was mainly attributable to (i) the increase in revenue generated from our QFN products from RMB90.3 million to RMB123.8 million and from our LGA products from RMB60.3 million to RMB86.5 million, which, in aggregate, more than offset the decreases in revenue generated from our BGA and WLP products; (ii) the increase in the aggregate sales volume of our packaging products, primarily supported by the significant increase in the sales volume of our LGA products, as continued customer demand for our packaging products and testing service, together with our expanded production capacity, enabled us to fulfil a higher volume of orders; and (iii) the expansion of our sales in Taiwan, China, Hong Kong and United States, with revenue increasing from RMB3.7 million to RMB22.7 million and its contribution to our total revenue increasing from 1.2% to 6.3% over the same period.

Cost of Sales

Our cost of sales increased from RMB369.1 million for the four months ended April 30, 2025, to RMB423.9 million for the four months ended April 30, 2026, primarily due to (i) the increase in raw material costs, labor expenses and power expenses, which were attributable to the growth of our business and aligned with the increase in revenue; and (ii) an increase in depreciation and amortization mainly attributable to our purchases of additional manufacturing equipment to support the expansion of our production capacity and the commencement of depreciation of the production facilities at our Yangzhou production base following its commencement of operations in 2025.

Gross Loss and Gross Margin

Our overall gross loss slightly increased from RMB62.7 million for the four months ended April 30, 2025 to RMB64.3 million for the four months ended April 30, 2026, while our gross loss margin improved from 20.5% to 17.9% over the same period. The decrease in our gross loss margin was mainly driven by the increase in our sales and production volume, which enabled us to further benefit from economies of scale and improve our production efficiency, such that the increase in our revenue outpaced the increase in our cost of sales, partially offset by the increase in depreciation and amortization expenses arising from the purchases of manufacturing equipment and the operation our Yangzhou production base.

Other Income and Gains

Our other income and gains increased from RMB22.5 million for the four months ended April 30, 2025 to RMB23.4 million for the four months ended April 30, 2026, primarily due to (i) an increase in government grants, as a higher amount of government subsidies relating to our investments in production equipment and technological upgrades was recognized in 2026; and (ii) an increase in foreign exchange gains, net, as mainly arising from the appreciation of RMB against the foreign currencies in which certain of our trade payables were denominated.

Selling and Distribution Expenses

Our selling and distribution expenses increased from RMB4.0 million for the four months ended April 30, 2025 to RMB4.2 million for the four months ended April 30, 2026, primarily due to (i) an increase in wages and salaries; and (ii) an increase in advertising expenses, which was mainly due to higher expenses incurred in connection with our participation in semiconductor industry exhibitions.

Administrative Expenses

Our administrative expenses decreased from RMB43.3 million for the four months ended April 30, 2025 to RMB28.3 million for the four months ended April 30, 2026, primarily due to (i) a decrease in wages and salaries, as, following the commencement of operations at our Yangzhou production base in 2025, the salaries of relevant production management personnel, which had previously been recorded as administrative expenses before the commencement of production, were allocated to cost of sales; and (ii) a decrease in equity-settled share-based payment expenses, which was primarily due to the corresponding allocation to cost of sales of the share-based payment expenses relating to such production management personnel following the commencement of production, as well as the accelerated recognition of the remaining unrecognized share-based payment expenses upon the early vesting of certain share awards during the corresponding period in 2025, which did not recur during the four months ended April 30, 2026.

R&D Expenses

Our R&D expenses decreased from RMB32.9 million for the four months ended April 30, 2025, to RMB29.8 million for the four months ended April 30, 2026, primarily due to a decrease in equity-settled share-based payment expenses, as the remaining unrecognized share-based payment expenses relating to certain share awards granted to our R&D personnel were accelerated and recognized upon the early vesting of such awards during the corresponding period in 2025, which did not recur during the four months ended April 30, 2026.

(Provision for Impairment)/Reversal of Impairment Losses of Financial Assets, Net

We recorded a reversal of impairment losses of financial assets, net, of RMB2.4 million for the four months ended April 30, 2025, as compared with a provision for impairment losses of financial assets, net, of RMB1.7 million for the four months ended April 30, 2026, primarily due to changes in the outstanding balance of our trade receivables as of the respective period ends, which resulted in corresponding adjustments to the expected credit loss allowance in accordance with our impairment policy. In particular, the decrease in our trade receivables during the four months ended April 30, 2025 resulted in a reversal of the relevant impairment allowance, while the increase in our trade receivables during the four months ended April 30, 2026 resulted in the recognition of additional impairment allowance.

Other Expenses

Our other expenses decreased from RMB1.7 million for the four months ended April 30, 2025 to RMB0.9 million for the four months ended April 30, 2026, primarily due to the absence of foreign exchange losses during the period, as the appreciation of RMB against the relevant foreign currencies resulted in net foreign exchange gains for the four months ended April 30, 2026.

Finance Costs

Our finance costs increased from RMB43.9 million for the four months ended April 30, 2025, to RMB56.1 million for the four months ended April 30, 2026, primarily due to (i) an increase of in interest on redemption liabilities, attributable to the continued accretion of interest on the outstanding redemption liabilities over time; and (ii) an increase in interest on bank and other borrowings, as we obtained additional borrowings to meet our capital needs and support our business expansion.

Total Comprehensive Loss for the Period

As a result of the foregoing, we recorded loss for the period of RMB163.6 million and RMB161.9 million for the four months ended April 30, 2025 and 2026, respectively.

Year Ended December 31, 2025 Compared to Year Ended December 31, 2024

Revenue

Our total revenue increased from RMB827.4 million in 2024 to RMB1,012.2 million in 2025, primarily driven by the expansion of our packaging and testing services, which was underpinned by the following factors: (i) following the ramp-up of our Nanjing and Yangzhou production bases, we achieved an increase in the sales volume of our packaging products, particularly in QFN, BGA and LGA, which enabled us to effectively capture the growing market demand within the communication and data center supply chains; (ii) our strategic expansion into high-growth downstream applications resulted in revenue from products applied in car electronics and data center applications surging from RMB2.7 million in 2024 to RMB12.2 million in 2025, a substantial growth attributable to our successful qualification by several players in these sectors; (iii) the increase also reflected a broader recovery and our continued penetration in the communication sector, where revenue maintained its upward trajectory as we deepened cooperation with major existing customers while successfully onboarding new clients; and (iv) our revenue from the industrial and medical sectors recovered from RMB35.8 million in 2024 to RMB43.4 million in 2025, representing a rebound primarily driven by the stabilized procurement schedules of our long-term customers and our successful entry into new niche medical device applications.

Cost of Sales

Our cost of sales increased from RMB993.9 million for the year ended December 31, 2024 to RMB1,194.6 million for the year ended December 31, 2025, primarily due to (i) the increase in raw material costs, labor expenses and power expenses, which were attributable to the growth of our business and aligned with the increase in revenue; and (ii) an increase in depreciation and amortization as we acquired new manufacturing equipment in 2025.

Gross Loss and Gross Margin

Our overall gross loss increased from RMB166.6 million for the year ended December 31, 2024 to RMB182.5 million for the year ended December 31, 2025, while our gross loss margin improved from 20.1% to 18.0% over the same period. The decrease in our gross loss margin was mainly driven by economies of scale achieved through the continuous expansion of our mass production. This expansion enabled more efficient utilization of equipment, facilities, power, human resources, and other resources, thereby diluting our overall unit costs.

Other Income and Gains

Our other income and gains decreased from RMB101.7 million for the year ended December 31, 2024 to RMB68.3 million for the year ended December 31, 2025, primarily due to (i) a decrease in government grants, as government grants released from deferred income decreased; and (ii) a decrease in investment income, as the amount of wealth management products we purchased reduced.

Selling and Distribution Expenses

Our selling and distribution expenses increased from RMB10.3 million for the year ended December 31, 2024 to RMB11.9 million for the year ended December 31, 2025, primarily due to (i) an increase in wages and salaries; and (ii) an increase in equity-settled share-based payment expenses, which was primarily due to the new units being awarded to our sales and marketing personnel under our equity incentive scheme in 2025.

Administrative Expenses

Our administrative expense increased from RMB62.3 million for the year ended December 31, 2024 to RMB117.4 million for the year ended December 31, 2025, primarily due to (i) an increase in wages and salaries as the number of our administrative personnel increased in 2025; (ii) an increase in equity-settled share-based payment expenses, which was primarily due to the new units being awarded to our senior management under our equity incentive scheme in 2025; and (iii) an increase in IPO expenses.

R&D Expenses

Our R&D expenses decreased from RMB93.8 million for the year ended December 31, 2024 to RMB86.2 million for the year ended December 31, 2025, primarily due to a decrease in wages and salaries and a decrease in depreciation and amortization expenses, as R&D activities at our Yangzhou Chiplet facility decreased during the first half of 2025 due to a longer initiation and approval process for certain new projects, partially offset by an increase in equity-settled share-based payment expenses, which was primarily due to the new units being awarded to our R&D personnel under our equity incentive scheme in 2025.

(Provision for Impairment)/Reversal of Impairment Losses of Financial Assets, Net

We recorded provision for impairment of financial assets, net of RMB3.8 million for the year ended December 31, 2024 and recorded reversal of impairment losses of financial assets, net of RMB1.6 million for the year ended December 31, 2025, primarily due to we have strengthened the management of our trade receivables.

Other Expenses

Our other expenses decreased from RMB12.8 million for the year ended December 31, 2024 to RMB1.5 million for the year ended December 31, 2025, primarily due to fluctuations in the USD-RMB exchange rate leading to changes in foreign exchange losses, as we purchase imported equipment using US dollars.

Finance Costs

Our finance costs increased from RMB129.4 million for the year ended December 31, 2024 to RMB153.7 million for the year ended December 31, 2025, primarily due to an increase in interest on redemption liabilities attributable to (i) the redemption rights granted in February 2024 gave rise to additional interest for the year ended December 31, 2025 compared to the year ended December 31, 2024; and (ii) we granted new redemption rights to our shareholders in 2025.

Share of Profit of a Joint Venture

Our share of profit of a joint venture decreased from RMB0.6 million for the year ended December 31, 2024 to nil for the year ended December 31, 2025, primarily due to the joint venture we invested in has been disposed in September 2024. For details, see "Investment in a joint venture" in this section.

Total Comprehensive Loss for the Year/Period

As a result of the foregoing, we recorded loss for the period of RMB376.6 million and RMB483.1 million for the years ended December 31, 2024 and 2025, respectively.

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

Revenue

Our total revenue increased significantly from RMB509.1 million in 2023 to RMB827.4 million in 2024, primarily driven by the expansion of our packaging and testing services, which was underpinned by the following factors: (i) revenue from products applied in the consumer electronics and communication sectors increased by 69.1% and 88.4% year-on-year, respectively. This growth was driven by our strategic efforts to expand application scenarios and reinforced focus on customers embedded in these supply chains, who experienced strong procurement demands from their end-markets; (ii) we enhanced our overall production capacity, which supported the increased sales volume across our major product lines, such as QFN, BGA, LGA, and WLP; (iii) we continued to secure new customers and expand our customer base, while the stable yield rate of our products strengthened existing customers' confidence, leading to higher order volumes; (iv) revenue from WLP products more than doubled from RMB70.1 million in 2023 to RMB152.0 million in 2024, reflecting our successful commercialization of advanced packaging technologies; and (v) revenue from our 2.5D/3D products increased from RMB5,000 to RMB0.6 million, primarily as a result of initial FOCT-R orders, marking the early-stage commercialization of our most sophisticated packaging technologies.

Cost of Sales

Our cost of sales increased from RMB704.7 million for the year ended December 31, 2023 to RMB993.9 million for the year ended December 31, 2024, primarily due to (i) the increase in raw material costs, labor expenses and power expenses, which were attributable to the growth of our business and hence in line with the increase in revenue; and (ii) an increase in depreciation and amortization as we acquired new manufacturing equipment in 2024.

Gross Loss and Gross Margin

As a result of the foregoing, our overall gross loss decreased from RMB195.6 million for the year ended December 31, 2023 to RMB166.6 million for the year ended December 31, 2024. Our gross loss margin decreased from 38.4% for the year ended December 31, 2023 to 20.1% for the year ended December 31, 2024, primarily due to (i) increased sales of QFN, BGA, LGA, WLP and 2.5D/3D products, which were supported by our mass production capabilities and driven by the growth in demand for our products from both existing and new customers; and (ii) economies of scale achieved through the continuous expansion of our mass production, which enabled more efficient utilization of equipment, facilities, power, human resources and other resources, thereby further diluting overall costs. Together, these factors allowed our revenue growth to outpace the increase in our cost of sales, leading to a meaningful reduction in our absolute gross loss for the year.

Other Income and Gains

Our other income and gains increased from RMB70.6 million for the year ended December 31, 2023 to RMB101.7 million for the year ended December 31, 2024, primarily due to government grants released from deferred income increased, as we received new rental subsidies in 2024.

Selling and Distribution Expenses

Our selling and distribution expenses increased from RMB9.0 million for the year ended December 31, 2023 to RMB10.3 million for the year ended December 31, 2024, primarily due to (i) an increase in wages and salaries; and (ii) an increase in business development expenses, which was mainly due to our efforts to drive continuous sales, business growth and expansion.

Administrative Expenses

Our administrative expense increased from RMB53.4 million for the year ended December 31, 2023 to RMB62.3 million for the year ended December 31, 2024, primarily due to an increase in wages and salaries, which was primarily due to our recruitment of additional administrative staff to support business growth and the increased number of staff for the establishment of Yangzhou Chiplet.

R&D Expenses

Our R&D expenses increased from RMB76.6 million for the year ended December 31, 2023 to RMB93.8 million for the year ended December 31, 2024, primarily due to (i) an increase in depreciation and amortization expenses, as R&D activities of Yangzhou Chiplet increased in 2024, which was fundamentally driven by the full-year effect of its R&D activities in 2024 compared to only seven months of actual R&D inputs in 2023 following its establishment; and (ii) an increase in other R&D expenses, in line with our increased R&D activities, reflecting a continuous scale-up of R&D investments at our Nanjing production base in tandem with its robust revenue growth during the same period.

(Provision for Impairment)/Reversal of Impairment Losses of Financial Assets, Net

Our provision for impairment of financial assets, net increased from RMB2.4 million for the year ended December 31, 2023 to RMB3.8 million for the year ended December 31, 2024, primarily due to increase in expected credit loss in trade receivables, in line with the increase in revenue and trade receivables in the same period.

Other Expenses

Our other expenses increased from RMB5.0 million for the year ended December 31, 2023 to RMB12.8 million for the year ended December 31, 2024, primarily due to (i) fluctuations in the USD-RMB exchange rate leading to changes in foreign exchange losses, as we purchase imported equipment using US dollars; and (ii) the increase in fair value loss of the redemption rights of Yangzhou Chiplet.

Finance Costs

Our finance costs increased from RMB88.5 million for the year ended December 31, 2023 to RMB129.4 million for the year ended December 31, 2024, primarily due to (i) an increase in interest on bank and other borrowings from our increased interest-bearing bank loans and new sale and leaseback agreements we entered into; and (ii) an increase in interest on redemption liabilities, as we granted new redemption rights to our shareholders in 2024.

Share of Profit of a Joint Venture

Our share of profit of a joint venture decreased from RMB1.0 million for the year ended December 31, 2023 to RMB0.6 million for the year ended December 31, 2024, primarily due to the joint venture we invested in has been disposed in September 2024. For details, see "Investment in a joint venture" in this section.

Total Comprehensive Loss for the Year/Period

As a result of the foregoing, we recorded loss for the period of RMB358.9 million and RMB376.6 million for the years ended December 31, 2023 and 2024, respectively.

DISCUSSION OF CERTAIN SELECTED ITEMS FROM OUR CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

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

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Total non-current assets	2,144,066	2,603,009	3,184,933	3,268,372
Total current assets	691,763	618,688	816,764	839,444
Total assets	**2,835,829**	**3,221,697**	**4,001,697**	**4,107,816**
Total non-current liabilities	(2,584,858)	(2,917,727)	(3,546,089)	(3,686,897)
Total current liabilities	(1,001,533)	(1,219,650)	(1,687,748)	(1,719,192)
Total liabilities	**(3,586,391)**	**(4,137,377)**	**(5,233,837)**	**(5,406,089)**
Net liabilities	**(750,562)**	**(915,680)**	**(1,232,140)**	**(1,298,273)**
Equity attributable to owners of the parent				
Paid-in capital/Share capital	857,062	896,335	959,062	959,062
Reserves	(1,729,067)	(2,136,998)	(2,632,262)	(2,754,533)
Non-controlling interests	**121,443**	**324,983**	**441,060**	**497,198**
Total deficits	**(750,562)**	**(915,680)**	**(1,232,140)**	**(1,298,273)**

We recorded net liabilities of RMB750.6 million, RMB915.7 million, RMB1,232.1 million and RMB1,298.3 million as of December 31, 2023, 2024 and 2025 and April 30, 2026, respectively. The continuous increase in our net liabilities during the Track Record Period was primarily a combined result of: (i) our significant net losses recorded during the Track Record Period; and (ii) the recognition of redemption liabilities on equity shares. As we conducted several series of Pre-IPO financings, certain investors were granted certain rights, including redemption rights. The obligations arising from these rights are recognized and presented as financial liabilities, which substantially reduced our total equity and drove us into a net liability position. Upon the Listing, the relevant special rights will be terminated and the associated redemption liabilities will be derecognized and reclassified as equity. This conversion will eliminate the redemption liability balance from our consolidated statements of financial position. Accordingly, our net liabilities are expected to be reversed into net assets upon the Listing, reflecting the reclassification of shares from liabilities to equity.

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

	As of December 31,			As of April 30,	As of August 31,
	2023	2024	2025	2026	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*
CURRENT ASSETS					
Inventories	164,277	176,396	205,453	235,950	314,990
Trade and bills receivables	146,157	168,216	205,885	200,054	266,755
Prepayments, other receivables and other assets	88,428	137,686	139,998	207,338	200,734
Debt investments at fair value through other comprehensive income	1,955	4,001	1,264	4,989	4,795
Financial assets at fair value through profit or loss	85,414	26,183	90,482	35,788	10,000
Derivative financial instruments	9,026	4,276	3,397	2,519	2,105
Pledged deposits	–	11,741	12,000	37,705	44,621
Restricted cash	32,811	7,023	14,587	2,037	3,037
Cash and cash equivalents	163,695	83,166	143,698	113,064	260,165
Total current assets	691,763	618,688	816,764	839,444	1,107,202
CURRENT LIABILITIES					
Trade and bills payables	110,016	151,067	196,455	180,644	267,159
Other payables and accruals	443,216	574,048	763,184	685,813	768,047
Interest-bearing bank and other borrowings	424,889	483,002	707,105	826,359	1,142,703
Lease liabilities	23,412	11,533	21,004	26,376	28,004
Total current liabilities	1,001,533	1,219,650	1,687,748	1,719,192	2,205,913
Net current liabilities	**(309,770)**	**(600,962)**	**(870,984)**	**(879,748)**	**(1,098,711)**

Our net current liabilities increased to RMB1,098.7 million as of August 31, 2026 from RMB879.7 million as of April 30, 2026, primarily due to (i) an increase of RMB86.5 million in trade and bills payables; (ii) an increase of RMB82.2 million in other payables, deposits received and accruals; and (iii) an increase of RMB316.3 million in interest-bearing bank and other borrowings under current liabilities, partially offset by (i) an increase of RMB79.0 million in inventories; (ii) an increase of RMB66.7 million in trade and bills receivables; and (iii) an increase of RMB147.1 million in cash and cash equivalents.

Our net current liabilities increased to RMB879.7 million as of April 30, 2026 from RMB871.0 million as of December 31, 2025, primarily due to (i) an increase of RMB119.3 million in interest-bearing bank and other borrowings under current liabilities; (ii) a decrease of RMB54.7 million in financial assets at fair value through profit or loss; (iii) a decrease of RMB12.6 million in restricted cash; and (iv) a decrease of RMB30.6 million in cash and cash equivalents, partially offset by (i) a decrease of RMB15.8 million in trade and bills payables; (ii) a decrease of RMB77.4 million in other payables and accruals; (iii) an increase of RMB30.5 million in inventories; (iv) an increase of RMB67.3 million in prepayments, other receivables and other assets; and (v) an increase of RMB25.7 million in pledged deposits.

Our net current liabilities increased to RMB871.0 million as of December 31, 2025 from RMB601.0 million as of December 31, 2024, primarily due to (i) an increase of RMB45.4 million in trade and bills payables; (ii) an increase of RMB189.1 million in other payables and accruals; (iii) an increase of RMB224.1 million in current portion of interest-bearing bank and other borrowings, partially offset by (i) an increase of RMB29.1 million in inventories; (ii) an increase of RMB37.7 million in trade and bills receivables; (iii) an increase of RMB64.3 million in financial assets at fair value through profit or loss; and (iv) an increase of RMB60.5 million in cash and cash equivalents.

Our net current liabilities increased to RMB601.0 million as of December 31, 2024 from RMB309.8 million as of December 31, 2023, primarily due to (i) a decrease of RMB59.2 million in financial assets at fair value through profit or loss; (ii) a decrease of RMB25.8 million in restricted cash; (iii) a decrease of RMB80.5 million in cash and cash equivalents; (iv) an increase of RMB41.1 million in trade and bills payables; (v) an increase of RMB130.8 million in other payables and accruals; and (vi) an increase of RMB58.1 million in current portion of interest-bearing bank and other borrowings, partially offset by (i) an increase of RMB12.1 million in inventories; (ii) an increase of RMB22.1 million in trade and bills receivables; (iii) an increase of RMB49.3 million in prepayments, other receivables and other assets; (iv) an increase of RMB11.7 million in pledged deposits; and (v) a decrease of RMB11.9 million in lease liabilities.

The continuous widening of our net current liabilities position during the Track Record Period was a structural outcome of our capital-intensive expansion phase, as we utilized short-term financing and payables to fund our long-term investments in property, plant, and equipment for our production bases. Specifically, the increase in our net current liabilities was primarily driven by (i) an increase in our other payables and accruals from RMB443.2 million in 2023 to RMB763.2 million in 2025, primarily due to the consistent increase in payables for the purchase of long-term assets, which represent short-term obligations incurred for the procurement of new machinery, equipment, and construction activities related to the ramp-up of our capacity, such as our Yangzhou production base; (ii) an increase in the current portion of our interest-bearing bank and other borrowings from RMB424.9 million in 2023 to RMB707.1 million in 2025 to meet the substantial working capital requirements for our expanding operations and bridge the funding gap for our capital expenditures; and (iii) an increase in our trade and bills payables from RMB110.0 million in 2023 to RMB196.5 million in 2025 as our production volume grew, which primarily represented the amounts due to our suppliers for purchasing raw materials to support our increasing sales volume. While our current assets also expanded, with trade and bills receivables reaching RMB205.9 million and inventories reaching RMB205.5 million in 2025, the growth in operational and capital-related short-term liabilities significantly outpaced the accumulation of current assets.

We expect to improve our net current liabilities position as (i) we expect to improve our operating cash flow as a result of our enhanced profitability, and (ii) we expect to receive the net proceeds from the Global Offering. We believe that our net current liabilities position will improve with net cash inflows generated from operating activities with the growth of our business. We also plan to improve our net current liabilities position by: (i) leveraging our industry position to negotiate for more favorable contractual terms with our customers and suppliers, (ii) continuing to closely monitor our liquidity position to ensure that it is in line with our business operations and expansion plan, (iii) properly managing the level of our cash and current assets to ensure the availability of sufficient cash flows to meet any planned or unexpected cash requirements arising from our operations, (iv) better managing the collection of our accounts receivables, and (v) assigning designated personnel to liaise with different customers, and performing monthly reconciliation of receivables and follow up with the customers.

Property, plant and equipment

Our property, plant and equipment primarily consist of machinery, general electronic equipment, transportation equipment, office equipment, buildings, construction in progress and leasehold improvements. The following table sets forth the net carrying amount of our property, plant and equipment as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Machinery	1,611,290	1,957,399	2,281,182	2,346,101
General electronic equipment	30,834	32,286	38,938	40,476
Transportation equipment	156	53	471	430
Office equipment	1,263	837	472	1,452
Buildings	–	–	429,710	422,790
Construction in progress	113,342	262,193	97,466	125,838
Leasehold Improvements	238,454	210,936	205,558	202,194
Total	**1,995,339**	**2,463,704**	**3,053,797**	**3,139,281**

The carrying amount of our property, plant and equipment increased from RMB1,995.3 million as of December 31, 2023 to RMB2,463.7 million as of December 31, 2024, primarily due to (i) an increase of RMB346.1 million in machinery, as we purchased new equipment; and (ii) an increase of RMB148.9 million in construction in progress, as we were constructing a manufacturing facility in Yangzhou, Jiangsu Province. The carrying amount of our property, plant and equipment increased from RMB2,463.7 million as of December 31, 2024 to RMB3,053.8 million as of December 31, 2025, primarily due to an increase of RMB429.7 million in buildings, offset by decreased construction in progress, as the manufacturing facility in Yangzhou, Jiangsu Province has been established. The carrying amount of our property, plant and equipment increased from RMB3,053.8 million as of December 31, 2025 to RMB3,139.3 million as of April 30, 2026, primarily due to (i) an increase of RMB64.9 million in machinery, as we purchased additional manufacturing equipment; and (ii) an increase of RMB28.4 million in construction in progress, mainly attributable to the expansion of our manufacturing facility in Nanjing, Jiangsu Province.

Right-of-use assets

Our Group has lease contracts for leasehold land and buildings used in its operations. Lump sum payments were made upfront to lease the leasehold land with lease periods of 50 years. No ongoing payments will be made under the terms of the lease for the land use right. The carrying amount decreased from RMB85.3 million as of December 31, 2023 to RMB76.2 million as of December 31, 2024, mainly due to the reduction in the remaining lease term of the lease agreements for our manufacturing facilities, offices and staff dormitories. The carrying amount then increased to RMB103.8 million as of December 31, 2025, primarily due to our acquisition of a new land use right in Nanjing, Jiangsu Province in 2025. The carrying amount then decreased to RMB100.2 million as of April 30, 2026, primarily due to a staff dormitory whose lease expired and was not renewed.

Other intangible assets

Our other intangible assets primarily consist of software and patents and license. The following table sets forth the net carrying amount of our other intangible assets as of the dates indicated:

	As of December 31,			As at April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Software	15,990	14,401	15,978	19,615
Patents and licenses	396	283	726	646
Total	**16,386**	**14,684**	**16,704**	**20,261**

Our intangible assets decreased from RMB16.4 million as of December 31, 2023 to RMB14.7 million as of December 31, 2024, primarily due to amortization of our intangible assets in 2024. Our intangible assets increased from RMB14.7 million as of December 31, 2024 to RMB16.7 million as of December 31, 2025, primarily due to we purchased our equipment automation program system in 2025. Our intangible assets increased from RMB16.7 million as of December 31, 2025, to RMB20.3 million as at April 30, 2026, primarily due to additions in software used in our R&D activities.

Investment in a joint venture

Our investment in a joint venture amounted to RMB11.4 million, nil and nil as of December 31, 2023, 2024 and 2025, respectively. Our investment in joint ventures represent our 50% interest in Nanjing Changxin Testing Technology Co., Ltd. (南京長芯檢測科技有限公司) ("**Nanjing Changxin**"), a company providing testing service. The carrying amount of Nanjing Changxin decreased from RMB11.4 million as of December 31, 2023 to nil as of December 31, 2024, primarily due to the disposal of the shares held by our Company in Nanjing Changxin in September 2024. The disposal was primarily a strategic move to streamline our corporate structure and enhance operational independence by consolidating our testing functions in-house, thereby optimizing overall management efficiency.

Other non-current assets

Our other non-current assets increased from RMB35.7 million as of December 31, 2023 to RMB48.4 million as of December 31, 2024, primarily due to we continued to expand our production capacity, which drove a steady growth in the scale of our equipment, and prepayments were required for the procurement of our machinery and equipment under the terms of our supply agreements. Our other non-current assets decreased from RMB48.4 million as of December 31, 2024 to RMB10.7 million as of December 31, 2025, primarily due to the reduction in prepayments classified as non-current assets, which resulted from the gradual delivery of the equipment we purchased previously. Our other non-current assets further decreased to RMB8.7 million as at April 30, 2026, primarily due to the gradual delivery of machinery and equipment previously ordered, which resulted in a reduction in the related prepayments, as the new prepayments made for additional equipment to support our growing order volume during the four months ended April 30, 2026 were lower than the prepayments utilized upon delivery of equipment during the period.

Inventories

Our inventories primarily consist of (i) raw materials which are substrates, lead frame, adhesive, electronic components and bonding wire; (ii) work in progress inventories consist primarily of semi-finished packaging products that have been produced to ensure timely delivery to customers and (iii) finished goods which are packaging products that are in readiness for delivery or in delivery transit to fulfill customer orders.

The following table sets forth our inventories as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Raw materials	112,507	105,494	124,706	131,226
Work in progress	29,346	41,241	52,298	73,324
Finished goods	22,424	29,661	28,449	31,400
Total	**164,277**	**176,396**	**205,453**	**235,950**

Our inventories increased from RMB164.3 million as of December 31, 2023 to RMB176.4 million as of December 31, 2024, mainly due to the increase in work in progress products and finished goods, as our actual production volume continues to increase. Our inventories increased to RMB205.5 million as of December 31, 2025, primarily due to the increase in raw materials and work in progress products, as we continued to scale up our production and were able to capture growing market demands. Our inventory further increased to RMB236.0 million as of April 30, 2026, primarily due to increase in raw materials, work in progress products and finished goods, as we increased our procurement and production activities in response to growing customer demand and order volume to ensure the timely fulfilment and delivery of customer orders. As of December 31, 2023, 2024 and 2025 and April 30, 2026, the age of the majority of our inventories was less than three months. The following table sets forth our inventory turnover days for the periods indicated:

	As of December 31,			As at April 30,
	2023	2024	2025	2026
	(days)	*(days)*	*(days)*	*(days)*
Inventory turnover days[(1)]	72.3	62.6	58.3	62.5

Note:

(1) Inventory turnover days for a period equals to average inventories balance for the relevant period divided by cost of sales and multiplied by the number of days in the relevant period, which is 365 days for each year or 120 days for the four-month period. The average inventories balance is calculated as the average of the opening and closing inventories balances for the relevant period.

As of August 31, 2026, RMB216.5 million, or 91.7% of our inventories as of April 30, 2026 had been utilized.

Trade and bills receivables

During the Track Record Period, our trade receivables primarily represent receivables from customers for provision of packaging products and testing service. The credit period granted to our customers was generally one to two months, extending up to three months from the date of invoice. Our bills receivables primarily represent receivables from banks for purchase payments to be made on behalf of our customers. The maturity term of bills receivable is generally three to six months. The following table sets forth our trade and bills receivables as of the dates indicated:

	As of December 31,			As at April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	134,833	175,982	181,067	197,674
Impairment	(4,288)	(8,096)	(6,514)	(8,218)
	130,545	167,886	174,553	189,456
Bills receivable	15,612	330	31,332	10,598
Total	**146,157**	**168,216**	**205,885**	**200,054**

Our trade receivables increased from RMB134.8 million as of December 31, 2023, to RMB176.0 million as of December 31, 2024, and to RMB181.1 million as of December 31, 2025, and further to RMB197.7 million as at April 30, 2026, which were in line with the increase in revenue. The following table sets forth an aging analysis of our trade receivable at the end of each period of the Track Record Period, based on the invoice dates and net of loss allowance:

	As of December 31,			As at April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within one year	130,545	167,886	174,553	189,456

We perform an impairment analysis at the end of each period of the Track Record Period. An impairment analysis was made based on expected credit loss model on the recoverability of trade receivables and performed using a provision matrix to measure expected credit losses. The identification of impairment requires management's judgments and estimates by considering the age of the balance, existence of disputes, recent historical payment patterns, any other available information concerning the creditworthiness of counterparties and influence from macroeconomy. The following table sets forth the average turnover days of our trade receivables for the periods indicated:

	As of December 31,			As at April 30,
	2023	2024	2025	2026
	(days)	*(days)*	*(days)*	*(days)*
Average trade receivables turnover days[(1)]	68.5	65.8	61.7	61.6

Note:

(1) Average trade receivables turnover days equals the average of the beginning and ending balances of trade receivables for that period divided by revenue for that period and multiplied by 365 days (for a year) or 120 days (for the four-month period).

As of August 31, 2026, RMB193.3 million, or 92.8% of our trade and bills receivables as of April 30, 2026 had been settled. Our Group maintains a collection policy for trade credits. If customers fail to make payments on time, our sales department will notify the relevant customers that their deliveries will be put on hold until such outstanding purchase amount is settled.

Prepayments, other receivables and other assets

Our prepayments, other receivables and other assets mainly consisted of (i) value-added tax recoverable, (ii) deposits, (iii) prepayments, (iv) due from shareholders, (v) others, and (vi) impairment allowance. The following table sets forth our prepayments, other receivables and other assets as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Value-added tax recoverable	74,425	114,710	123,936	140,601
Deposits	1,365	1,428	767	13,231
Prepayments	11,881	21,330	12,924	49,108
Due from shareholders	–	–	2,087	4,275
Others	778	249	292	131
Impairment allowance	(21)	(31)	(8)	(8)
Total	**88,428**	**137,686**	**139,998**	**207,338**

Our prepayments, other receivables and other assets increased from RMB88.4 million as of December 31, 2023 to RMB137.7 million as of December 31, 2024, primarily due to the increase in value-added tax recoverable as a result of our capital expenditure on property, plant and equipment generated value-added tax that was entitled to be recovered but had not yet been refunded by the tax authorities. Our prepayments, other receivables and other assets remained relatively stable at RMB137.7 million and RMB140.0 million as of December 31, 2024 and 2025. Our prepayments, other receivables and other assets increased from RMB140.0 million as of December 31, 2025 to RMB207.3 million as of April 30, 2026, primarily due to (i) an increase of RMB16.7 million in value-added tax recoverable that mainly attributable to additional input value-added tax arising from our procurement activities that had not yet been utilized to offset output value-added tax or refunded by the relevant tax authorities; (ii) an increase of RMB36.2 million in prepayments, as mainly attributable to advance payments made for machinery and equipment pending delivery and for the procurement of substrates; and (iii) an increase of approximately RMB12.5 million in deposits, primarily attributable to a cash security deposit of approximately RMB12.5 million paid by us to the People's Court of Pukou District, Nanjing, Jiangsu Province on April 20, 2026 in connection with property preservation measures in an ongoing litigation, following which the freezing of our relevant bank accounts was released. Such deposit is refundable upon conclusion of the second-instance proceedings.

As of August 31, 2026, RMB107.2 million, or 51.7%, of our prepayments, other receivables and other assets as of April 30, 2026 had been settled.

Debt investments at fair value through other comprehensive income

For bills receivable that were held both for collection of contractual cash flows and selling, where the contractual cash flows of these bills receivable represented solely payments of principal and interest on the principal amount outstanding, they were classified as financial assets at fair value through other comprehensive income. Our debt investments at fair value through other comprehensive income amounted to RMB2.0 million, RMB4.0 million, RMB1.3 million and RMB5.0 million as of December 31, 2023, 2024 and 2025 and April 30, 2026, respectively.

Financial assets at fair value through profit or loss

Our financial assets at fair value through profit or loss mainly consisted of wealth management products issued by banks in the PRC. 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. Our management closely monitors the performance and fair values of these investments on a regular basis. Our financial assets at fair value through profit or loss amounted to RMB85.4 million, RMB26.2 million, RMB90.5 million and RMB35.8 million as of December 31, 2023, 2024 and 2025 and April 30, 2026, respectively.

Our financial assets at fair value through profit or loss decreased from RMB85.4 million as of December 31, 2023, to RMB26.2 million as of December 31, 2024, primarily due to decrease in our purchase in wealth management products issued by banks in the PRC. This was driven by a reduction in our surplus cash available for such short-term investments. Although we generated higher net cash from operating activities in 2024, this was more than offset by an increase of approximately RMB200.0 million in our repayment of matured debt financings compared to 2023. Our financial assets at fair value through profit or loss increased from RMB26.2 million as of December 31, 2024 to RMB90.5 million as of December 31, 2025. This increase was primarily due to a higher unredeemed balance of wealth management products as of year-end, despite a decrease in our total purchases of such products throughout 2025. Our financial assets at fair value through profit or loss decreased from RMB90.5 million as of December 31, 2025 to RMB35.8 million as of April 30, 2026, as we deployed the cash proceeds previously invested in wealth management products to fund our capital expenditures and other investing activities.

We have standard internal procedures to manage our investments. Our finance department is responsible for proposing, analyzing and evaluating potential investment in such wealth management products. Our management, including our finance department, has substantial experience in managing the financial aspects of an enterprise's operations. Upon Listing, we intend to continue our investments strictly in accordance with our internal control policy, Articles of Association and, to the extent that such investment is a notifiable transaction under Chapter 14 of the Listing Rules, we will comply with the relevant requirements under Chapter 14 of the Listing Rules, including the announcement, reporting and/or shareholders' approval requirements (if applicable). Our investment strategy related to such products focuses on minimizing the financial risks by reasonably and conservatively matching the maturities of the portfolio to anticipated operating cash needs, while generating desirable investment returns. To control our risk exposure, we make investment decisions related to structured deposits and low risk wealth management products, after thoroughly considering a number of factors, including, but not limited to, macro-economic environment, general market conditions, risk control and credit of issuing financial institutions, our own working capital conditions, and the expected profit or potential loss of the investment.

Derivative financial instruments

Our derivative financial assets amounted to RMB9.0 million, RMB4.3 million, RMB3.4 million and RMB2.5 million as of December 31, 2023, 2024 and 2025 and April 30, 2026 respectively. In 2023, we entered into an investment agreement with Yangzhou Longtou, a shareholder of Yangzhou Chiplet, pursuant to which Yangzhou Chiplet was granted a right to repurchase up to 455,000,000 of its own shares, representing 55.5% of Yangzhou Chiplet's shares, within five years from the date of capital contribution by Yangzhou Longtou, at its discretion. We identified the redemption right as a derivative financial instrument measured at fair value and with its changes recognized in the statements of profit and loss. For details, see Note 24 to the Accountants' Report in Appendix I to this prospectus.

Trade and bills payables

Our trade and bills payables primarily represent the amounts due to our suppliers for purchasing of raw materials. For supplier who grant to us a credit period, the typical term ranges from 60 days to 90 days. We generally settle such payables by cash or bills. The following table sets forth details of our trade and bills payables as of the dates indicated.

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	110,016	129,985	172,505	142,939
Bills payable	–	21,082	23,950	37,705
Total	**110,016**	**151,067**	**196,455**	**180,644**

Our trade and bills payables increased from RMB110.0 million as of December 31, 2023 to RMB151.1 million as of December 31, 2024, and further increased to RMB196.5 million as of December 31, 2025, as we purchased more raw materials to support our sales volume during the Track Record Period. Our trade and bills payables decreased from RMB196.5 million as of December 31, 2025 to RMB180.6 million as of April 30, 2026, primarily due to a decrease of RMB29.6 million in trade payables, as we used the proceeds from bank borrowings obtained during the period to settle amounts due to suppliers for raw materials. The following is an aging analysis of our trade and bills payables based on the invoice date as of dates indicated.

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Within one year	109,888	150,707	195,916	180,006
Over one year	128	360	539	638
Total	**110,016**	**151,067**	**196,455**	**180,644**

The following table sets forth our trade payables turnover days for the years/periods indicated.

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	(days)	*(days)*	*(days)*	*(days)*
Average trade payables turnover days[(1)]	47.5	44.1	46.2	44.6

Note:

(1) Calculated as the average of the beginning and ending balance of trade payables for the year/period divided by the cost of sales for that year/period and multiplied by 365 days (for a year) or 120 days (for the four-month period).

As of August 31, 2026, RMB152.2 million, or 84.2% of our trade and bills payables as of April 30, 2026 had been settled.

Other payables and accruals

Our other payables and accruals mainly represent (i) payable for purchase of long-term assets, (ii) contract liabilities, (iii) payroll and welfare payables, (iv) accrued expense, (v) deposits, (vi) other tax payables, and (vii) other payables, which mainly consist of service fees to suppliers, such as, greening fees, canteen expenses and property management fees. The following table sets forth details of our other payables and accruals as of the dates indicated.

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Payable for purchase of long-term assets	379,175	495,074	658,109	581,661
Contract liabilities[(1)]	14,416	5,411	2,835	4,368
Payroll and welfare payables	35,303	38,304	36,681	29,133
Accrued expense	8,445	11,622	8,374	7,193
Deposits[(2)]	–	15,000	50,000	50,000
Other tax payables	3,476	2,491	3,274	2,185
Other payables[(3)]	2,401	6,146	5,400	11,273
Total	**443,216**	**574,048**	**764,673**	**685,813**
Analysed into:				
Current portion	443,216	574,048	763,184	685,813
Non-current portion	–	–	1,489	–

Notes:

(1) Contract liabilities include short-term advances received from customers regarding to sales of goods.

(2) Deposits include capacity guarantee deposit we received from Customer B.

(3) Other payables are non-interest-bearing.

Our other payables and accruals analysed into current portion increased from RMB443.2 million as of December 31, 2023 to RMB574.0 million as of December 31, 2024, primarily because an increase in payable for purchase of long-term assets as a result of our increased purchases of equipment. Our other payables and accruals analysed into current portion further increased to RMB763.2 million as of December 31, 2025, primarily because an increase in payable for purchase of long-term assets and capacity guarantee deposit we received from Customer B increased. Our other payables and accruals analysed into current portion decreased from RMB763.2 million as of December 31, 2025 to RMB685.8 million as of April 30, 2026. This was mainly attributable to a reduction in payables arising from the acquisition of long-term assets. Payments settled during the period for equipment purchases and construction works completed in 2025 were higher than new payables recognized for equipment procurement and construction activities for the four months ended April 30, 2026.

Our acquisitions of long-term assets during the Track Record Period primarily comprised production equipment and construction works in connection with the expansion of our production capacity. In particular, we acquired additional production equipment as our production capacity expanded. For our Nanjing production base, we incurred expenditure on renovation and fit-out works required to prepare the premises for production use. For our Yangzhou production base, our investments included land acquisition, plant construction and the procurement of production equipment. In selecting equipment suppliers, we generally consider factors including technical capability, product maturity and reliability, industry reputation, pricing, delivery schedule and

after-sales services. For overseas equipment, we generally procure from established mainstream suppliers, while for domestic equipment, we generally select suppliers whose products have attained a certain level of maturity and market recognition.

Our five largest equipment suppliers during the Track Record Period accounted for approximately 41% of our total purchases of production equipment during the Track Record Period. Such major suppliers principally comprised established domestic and overseas suppliers of semiconductor production equipment. For equipment purchases, payments are generally made by instalments, including an order deposit, payment upon delivery and final payment following acceptance. The order deposit generally does not exceed 30% of the purchase price, approximately 40% is payable upon delivery, and the remaining balance is generally settled within approximately three months after acceptance. We generally settle such payments by bank transfer, bank acceptance bills or letters of credit. Payments for construction works are generally made based on construction progress/milestones, subject to the terms of the relevant contracts. Given the concentration of our purchases from major suppliers, any disruption in their supply or failure to deliver equipment in accordance with our requirements may affect our capacity expansion plans. We mitigate such risk by formulating equipment procurement plans based on our capacity expansion schedule, maintaining alternative qualified suppliers and, where appropriate, using leased equipment as an alternative to equipment purchases.

As of August 31, 2026, RMB220.2 million, or 32.1% of our other payables and accruals analysed into current portion as of April 30, 2026 had been settled.

LIQUIDITY AND CAPITAL RESOURCES

Historically, we have financed our operations and other capital requirements primarily through cash generated from our business operations, bank borrowings and equity contributions from our shareholders, and we plan to continue to do so. Our anticipated cash needs primarily include costs associated with our business operations. We expect to fund our future working capital and other cash requirements with cash generated from our operations, the net proceeds from Global Offering and, when necessary, bank and other borrowings. As of August 31, 2026, the latest practicable date for determining our indebtedness, we had cash and bank balances of RMB260.2 million. Considering our internal resources, our cash flow from operations and the estimated net proceeds from the Global Offering, our Directors confirm that the working capital available to us is sufficient at present and for at least the next 12 months from the date of this prospectus.

Cash flow

The table below sets forth the selected cash flow data from the consolidated statements of cash flows for the periods indicated. This information should be read together with the consolidated financial information contained in the Accountants' Report in Appendix I to this prospectus.

	For the year ended December 31,			For the four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Cash flows generated from/(used in) operating activities	(70,661)	135,372	39,960	110,723	(108,150)
Cash flows used in investing activities	(655,440)	(644,620)	(804,966)	(140,949)	(214,663)
Cash flows from financing activities	703,902	428,292	825,180	86,053	288,536

	For the year ended December 31,			For the four months ended April 30,	
	2023	2024	2025	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*	*RMB'000*
Net increase/(decrease) in cash and cash equivalents	(22,199)	(80,956)	60,174	55,827	(34,277)
Cash and cash equivalents at beginning of year/period	185,841	163,695	83,166	83,166	143,698
Effect of foreign exchange rate changes, net	53	427	358	1,139	3,643
Cash and cash equivalents at the end of year/period	**163,695**	**83,166**	**143,698**	**140,132**	**113,064**

Cash flows from/(used in) operating activities

During the Track Record Period, our Group derives its cash inflows from operating activities principally from the receipt of payments for the provision of packaging products and testing service. Our Group's cash outflow from operating activities is principally for purchases of raw materials and labor expenses.

For the four months ended April 30, 2026, our net cash used in operating activities was RMB108.2 million. Our net cash used in operating activities is calculated by adjusting our loss before tax of RMB161.9 million by (i) non-cash items, which primarily included (a) depreciation of property, plant and equipment of RMB124.8 million; (b) deferred government grants of RMB18.4 million; (c) share-based payment expenses of RMB15.8 million; and (d) finance costs of RMB56.1 million; and (ii) changes in working capital, which primarily included (a) increase in restricted cash and pledged bank deposits of RMB13.2 million; (b) increase in inventories of RMB33.9 million; (c) increase in prepayments, other receivables and other assets of RMB66.9 million; (d) decrease in trade and bills payables of RMB15.8 million; (e) decrease in other payables and accruals of RMB10.2 million; and (f) increase in deferred income of RMB18.5 million. In 2025, our net cash generated from operating activities was RMB40.0 million. Our net cash generated from operating activities is calculated by adjusting our loss before tax of RMB483.1 million by (i) non-cash items, which primarily included (a) depreciation of property, plant and equipment of RMB313.8 million; (b) depreciation of right-of-use assets of RMB10.1 million; (c) deferred government grants of RMB60.2 million; (d) share-based payment expenses of RMB74.5 million; and (e) finance costs of RMB153.7 million; and (ii) changes in working capital, which primarily included (a) increase in inventories of RMB25.1 million; (b) decrease in prepayments, other receivables and other assets of RMB73.7 million; (c) increase in trade and bills payables of RMB45.4 million; (d) increase in trade and bills receivables of RMB110.5 million; (e) increase in other payables and accruals of RMB25.2 million; and (f) increase in deferred income of RMB29.5 million.

In 2024, our net cash generated from operating activities was RMB135.4 million. Our net cash generated from operating activities is calculated by adjusting our loss before tax of RMB376.6 million by (i) non-cash items, which primarily included (a) depreciation of property, plant and equipment of RMB257.9 million; (b) depreciation of right-of-use assets of RMB10.1 million; (c) deferred government grants of RMB94.3 million; (d) share-based payment expenses of RMB35.7 million; (e) finance costs of RMB129.4 million; and (ii) changes in working capital, which

primarily included (a) decrease in restricted and pledged bank deposits of RMB14.0 million; (b) increase in inventories of RMB10.0 million; (c) decrease in prepayments, other receivables and other assets of RMB60.5 million; (d) increase in trade and bills payables of RMB40.8 million; (e) increase in trade and bills receivables of RMB46.8 million; and (f) increase in deferred income of RMB90.6 million.

In 2023, our net cash used in operating activities was RMB70.7 million. Our cash used in operating activities is calculated by adjusting our loss before tax of RMB358.9 million by (i) non-cash items, which primarily included (a) depreciation of property, plant and equipment of RMB186.3 million; (b) depreciation of right-of-use assets of RMB10.7 million; (c) deferred government grants of RMB50.5 million; (d) share-based payment expenses of RMB26.1 million; (e) finance costs of RMB88.5 million; and (ii) changes in working capital, which primarily included (a) increase in restricted and pledged bank deposits of RMB29.2 million; (b) increase in inventories of RMB51.2 million; (c) decrease in prepayments, other receivables and other assets of RMB67.4 million; (d) increase in trade and bills payables of RMB26.8 million; (e) increase in trade and bills receivables of RMB87.2 million; and (f) increase in deferred income of RMB95.6 million.

Cash flows from/(used in) investing activities

During the Track Record Period, our cash flows used in investing activities primarily consisted of purchase of financial assets at fair value through profit or loss, which were primarily wealth management products issued by banks in the PRC and our unlisted equity investment.

For the four months ended April 30, 2026, our net cash used in investing activities was RMB214.7 million, which was mainly due to (i) purchases of items of property, plant and equipment of RMB268.6 million; (ii) purchase of other intangible assets of RMB1.3 million; and (iii) purchases of financial assets at fair value through profit or loss of RMB95.5 million, partially offset by proceeds from financial assets at fair value through profit or loss of RMB150.7 million.

In 2025, our net cash used in investing activities was RMB805.0 million, which was mainly due to (i) purchases of items of property, plant and equipment of RMB708.9 million; (ii) purchases of other intangible assets of RMB9.3 million; (iii) additions of prepaid land lease payments of RMB35.1 million; and (iv) purchases of financial assets at fair value through profit or loss of RMB569.2 million, partially offset by (i) proceeds from disposal of property, plant and equipment of RMB10.5 million; and (ii) proceeds from financial assets at fair value through profit or loss of RMB507.0 million.

In 2024, our net cash used in investing activities was RMB644.6 million, which was mainly due to (i) purchases of items of property, plant and equipment of RMB711.3 million; (ii) purchases of other intangible assets of RMB1.8 million; and (iii) purchases of financial assets at fair value through profit or loss of RMB617.6 million, partially offset by (i) proceeds from financial assets at fair value through profit or loss of RMB674.9 million; (ii) proceeds from disposal of a joint venture of RMB10.0 million; and (iii) dividend received from a joint venture of RMB1.1 million.

In 2023, our net cash used in investing activities was RMB655.4 million, which was mainly due to (i) purchases of items of property, plant and equipment of RMB723.6 million; (ii) purchases of other intangible assets of RMB11.9 million; (iii) additions of prepaid land lease payments of RMB25.6 million; (iv) purchases of financial assets at fair value through profit or loss of RMB1,174.0 million; and (v) advances to related parties of RMB2.6 million, partially offset by (i) proceeds from disposal of property, plant and equipment of RMB3.8 million; (ii) proceeds from financial assets at fair value through profit or loss of RMB1,265.8 million; and (iii) repayment of loans to related parties of RMB12.6 million.

Cash flows from/(used in) financing activities

During the Track Record Period, our cash flows used in financing activities primarily consisted of repayment of interest-bearing bank and other borrowings. During the same period, our cash inflow from financing activities primarily consisted of proceeds from issuance of new shares and new interest-bearing bank and other borrowings.

For the four months ended April 30, 2026, our net flows generated from financing activities were RMB288.5 million, primarily due to (i) new interest-bearing bank and other borrowings of RMB409.0 million; and (ii) contribution from non-controlling shareholders of RMB80.0 million, partially offset by (i) repayment of interest-bearing bank and other borrowings of RMB188.2 million; (ii) interest paid of RMB10.2 million; and (iii) payments of listing expenses of RMB2.1 million.

In 2025, our flows generated from financing activities were RMB825.2 million, primarily due to (i) proceeds from issuance of shares of RMB345.0 million; (ii) new interest-bearing bank and other borrowings of RMB965.8 million; and (iii) contribution from non-controlling shareholders of RMB162.0 million, partially offset by (i) payments of listing expenses of RMB1.8 million; (ii) repayment of interest-bearing bank and other borrowings of RMB621.0 million; and (iii) interest paid of RMB24.3 million.

In 2024, our flows generated from financing activities were RMB428.3 million, primarily due to (i) proceeds from issuance of new shares of RMB216.0 million; (ii) new interest-bearing bank and other borrowings of RMB583.6 million; and (iii) contribution from non-controlling shareholders of RMB224.0 million, partially offset by (i) repayment of interest-bearing bank and other borrowings of RMB545.9 million; (ii) lease payments of RMB26.2 million; and (iii) interest paid of RMB23.2 million.

In 2023, our flows generated from financing activities were RMB703.9 million, primarily due to (i) proceeds from issuance of new shares of RMB421.5 million; (ii) new interest-bearing bank and other borrowings of RMB486.3 million; and (iii) contribution from non-controlling shareholders of RMB124.0 million, partially offset by (i) repayment of interest-bearing bank and other borrowings of RMB295.3 million; (ii) lease payments of RMB14.6 million; and (iii) interest paid of RMB18.1 million.

INDEBTEDNESS

Our indebtedness primarily consists of interest-bearing bank and other borrowings, lease liabilities and redemption liabilities on equity shares. The following table sets forth a breakdown of our indebtedness as of the dates indicated:

	As of December 31,			As of April 30,	As of August 31,
	2023	2024	2025	2026	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*
Current					
Interest-bearing bank and other borrowings	424,889	483,002	707,105	826,359	1,142,703
Lease liabilities	23,412	11,533	21,004	26,376	28,004
	448,301	494,535	728,109	852,735	1,170,707

	As of December 31,			As of April 30,	As of August 31,
	2023	2024	2025	2026	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000 (unaudited)*
Non-current					
Interest-bearing bank and other borrowings	151,041	131,455	254,711	357,962	435,541
Lease liabilities	39,154	28,113	22,580	17,665	16,816
Redemption liabilities on equity shares	2,057,659	2,424,909	2,964,767	3,008,576	3,054,761
	2,247,854	2,584,477	3,242,058	3,384,203	3,507,118
Total	**2,696,155**	**3,079,012**	**3,970,167**	**4,236,938**	**4,677,825**

Interest-bearing bank and other borrowings

Our interest-bearing bank and other borrowings primarily consisted of interest-bearing bank loans and the transfer proceeds received from sale and leaseback transactions. As of December 31, 2023, 2024 and 2025, April 30, 2026 and August 31, 2026, we had total interest-bearing bank and other borrowings of RMB575.9 million, RMB614.5 million and RMB961.8 million, RMB1,184.3 million and RMB1,578.2 million, respectively. Our total interest-bearing bank and other borrowings increased by RMB393.9 million, or approximately 33.3%, from RMB1,184.3 million as of April 30, 2026 to RMB1,578.2 million as of August 31, 2026, primarily due to the net increase in financing raised during the period, comprising increases of approximately RMB172.8 million in short-term bank borrowings, RMB91.0 million in long-term bank borrowings and RMB127.8 million in amounts payable under sale and leaseback transactions, together with an increase of approximately RMB2.3 million in accrued interest, after taking into account repayments of certain existing borrowings. The effective interest rates of our RMB denominated bank loans ranged from 2.8%-3.8%, 2.7%-3.7%, 2.5%-3.3%, 2.5%-3.3% and 2.1%-3.3% per annum in 2023, 2024 and 2025, the four months ended April 30, 2026 and the eight months ended August 31, 2026, respectively. The effective interest rates of our sale and leaseback borrowings ranged from 4.6%-5.9%, 4.2%-5.6%, 3.8%-5.2%, 3.8%-5.2% and 3.8%-5.2% in 2023, 2024 and 2025, the four months ended April 30, 2026 and the eight months ended August 31, 2026, respectively. We consider these interest rates to be within the range of market interest rates. We consider our bank borrowing agreements and sale and leaseback agreements to contain standard terms, conditions and covenants that are customary. As of August 31, 2026, we had committed unutilized banking facilities of RMB1,650.2 million. The following table sets forth a breakdown of our committed unutilized banking facilities by nature as of August 31, 2026:

Nature of facilities	Committed unutilized amount	% of total	Interest rate (per annum)	Facility expiry/ contractual availability	Repayment term following drawdown
Working-capital loan facilities	RMB1,020.2 million	61.8%	2.11%-2.80%	Expiring between December 29, 2026 and August 18, 2029	Generally one to two years
Project loan facilities	RMB629.9 million	38.2%	2.75%-3.15%	Expiring between January 22, 2027 and October 30, 2036	Up to approximately ten years

Our working-capital loan facilities are principally available for our general working capital requirements. Drawdowns may be made during the applicable contractual availability periods, and the amounts drawn are generally repayable within one to two years. Our project loan facilities are principally earmarked for the construction and equipment procurement of our Nanjing production base. Drawdowns under such project loan facilities may be made during the applicable contractual

availability periods, and the amounts drawn are generally repayable within a term of up to approximately ten years. Drawdown under certain of the above facilities is conditional upon the provision of guarantees. The applicable interest rates are generally determined with reference to the prevailing loan prime rate and may be adjusted in accordance with the terms of the relevant facility agreements. Upon expiry, renewal of the relevant banking facilities remains subject to the relevant banks' reassessment and approval, having regard to factors including our then financial and operating condition, repayment and credit record and, where applicable, the provision or continuation of guarantees or other security. The facility amount, interest rate, availability period, repayment term and other terms applicable upon renewal may be adjusted by the relevant banks based on their credit assessment and prevailing market conditions.

As advised by our PRC Legal Adviser, the relevant banks generally may not withdraw or materially reduce the committed banking facilities during their respective contractual availability periods, save upon the occurrence of circumstances including, where applicable, a material deterioration in our operations or financial condition which may materially affect our repayment capability. As of the Latest Practicable Date, none of such circumstances had occurred and we had not received any notice from the relevant banks proposing to withdraw or materially reduce such facilities.

In assessing the continued availability and renewal of such banking facilities, our Directors have taken into account, among other things, (i) our historical drawdown and renewal experience with the relevant banks and our established banking relationships; (ii) the fact that we did not experience any material default in payment of our bank borrowings or breach of financing covenants during the Track Record Period and up to the Latest Practicable Date; (iii) the historical increase in the aggregate banking facilities made available to us by the relevant banks; and (iv) the fact that, as of the Latest Practicable Date, none of the relevant banks had notified us of any proposed withdrawal or material reduction of such facilities. Based on the above, our Directors are of the view, and the Sole Sponsor concurs, that the assumptions regarding the continued availability and renewal of our banking facilities are reasonable, and expect that such banking facilities will remain available for drawdown during their respective contractual availability periods and will be renewed upon expiry.

Lease liabilities

Leases are initially recognized as right-of-use assets and corresponding liability at the date when the leased asset is available for use by our Group. As of December 31, 2023, 2024 and 2025, April 30, 2026 and August 31, 2026, we recognized total lease liabilities, including current and non-current lease liabilities, of RMB62.6 million, RMB39.6 million, RMB43.6 million, RMB44.0 million and RMB44.8 million, respectively. The total lease liabilities decreased from RMB62.6 million as of December 31, 2023 to RMB39.6 million as of December 31, 2024, primarily as a result of the reduction of the remaining term of our leases. The total lease liabilities remained relatively stable at RMB39.6 million, RMB43.6 million, RMB44.0 million and RMB44.8 million as of December 31, 2024, 2025, April 30, 2026 and August 31, 2026.

Indebtedness Statement

Our Directors confirm that as of the Latest Practicable Date, there was no material covenant on any of our outstanding debt and that our Group did not experience any difficulty in obtaining bank loans and other borrowings, material default in payment of trade and non-trade payables, bank loans and other borrowings or breach of covenants during the Track Record Period and up to the date of this prospectus.

Save as disclosed above, as of August 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 had been no material change in our indebtedness since August 31, 2026 and up to the date of this prospectus.

SUFFICIENCY OF WORKING CAPITAL

Taking into account the financial resources available to our Group, including the available cash and cash equivalents, available banking facilities, cash flows generated from our operations and the estimated net proceeds from the Global Offering, and in the absence of unforeseen circumstances, our Directors are of the opinion, and the Sole Sponsor concurs, that our Group has available sufficient working capital for our present requirements for at least 12 months from the date of this prospectus.

CAPITAL EXPENDITURES

Our capital expenditures, which comprises payment for the purchases of items of property, plant and equipment, other intangible assets and addition of prepaid land lease payments, were RMB761.1 million, RMB713.1 million, RMB753.3 million, RMB178.0 million and RMB269.9 million in 2023, 2024 and 2025 and the four months ended April 30, 2025 and 2026, respectively. In these periods, our capital expenditures were primarily used for construction in progress and purchasing equipment. We expect to finance such capital expenditures through existing cash on hand, bank loans and the net proceeds from the Global Offering. 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.

CAPITAL COMMITMENTS

Our capital commitments as of December 31, 2023, 2024 and 2025 and April 30, 2026 were related to property, plant and equipment and other intangible assets. The following table sets forth our capital commitments as of the dates indicated:

	As of December 31,			As of April 30,
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Contracted, but not provided for:				
Property, plant and equipment	418,422	282,984	466,366	597,289
Other intangible assets	9,756	7,814	–	–
Total	**428,178**	**290,798**	**466,366**	**597,289**

KEY FINANCIAL RATIOS

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

	For the year ended/as at December 31,			For the four months ended/as at April 30,
	2023	2024	2025	2026
Revenue growth[1]	89.0%	62.5%	22.3%	17.4%
Gross margin[2]	(38.4)%	(20.1)%	(18.0)%	(17.9)%
Adjusted net loss margin (non-IFRS measure)[3]	(52.3)%	(28.7)%	(27.1)%	(28.1)%
Current ratio *(times)*[4]	0.7	0.5	0.5	0.5

Notes:

(1) Revenue growth is calculated as the period-on-period growth rate of revenue.

(2) The calculation of gross margin is based on gross loss for the period divided by revenue and multiplied by 100%. See "Description of Selected Components of Consolidated Statements of Profit or Loss and other Comprehensive Income — Gross Loss and Gross Margin."

(3) Adjusted net loss margin (non-IFRS measure) is calculated based on adjusted net loss (non-IFRS measure) divided by revenue and multiplied by 100%. See "Non-IFRS Financial Measures" in this section for a reconciliation from our loss for the year/period to adjusted net loss (non-IFRS measure).

(4) Current ratio is calculated as current assets divided by current liabilities as of the relevant period end.

Revenue growth

Our revenue growth was approximately 89.0%, 62.5%, 22.3% and 17.4% for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2026. For further analysis of our revenue, see "Period-to-Period Comparisons of Results of Operations" in this section.

Gross margin

Our gross loss margin was approximately 38.4%, 20.1%, 18.0% and 17.9% for the years ended December 31, 2023, 2024 and 2025 and the four months ended April 30, 2026. For further analysis of our gross margin, see "Period-to-Period Comparisons of Results of Operations" in this section.

Adjusted net loss margin (Non-IFRS Measure)

Our adjusted net loss margin (non-IFRS measure) decreased from 52.3% in 2023 to 28.7% in 2024, and further to 27.1% in 2025, primarily due to our revenue increased at a faster rate than our adjusted net loss during the relevant periods. See "Description of Selected Components of Consolidated Statements of Profit or Loss and other Comprehensive Income" in this section for a discussion of the factors affecting our adjusted net profit margin (non-IFRS measure) during the Track Record Period.

Current ratio

Our current ratio decreased from 0.7 times as of December 31, 2023, to 0.5 times as of December 31, 2024, primarily due to (i) a decrease in financial assets at fair value through profit or loss; (ii) a decrease in cash and cash equivalents; (iii) an increase in trade and bills payables; (iv) an increase in other payables and accruals; and (v) an increase in interest-bearing bank and other borrowings. Our current ratio remained stable at 0.5 times as of December 31, 2025 and April 30, 2026.

CONTINGENT LIABILITIES

As of December 31, 2023, 2024 and 2025, April 30, 2026 and August 31, 2026, we did not have any significant contingent liabilities. Our Directors confirmed that there had not been any material change in the contingent liabilities of our Company since August 31, 2026 and up to the Latest Practicable Date.

RELATED PARTY TRANSACTIONS

For details about our related party transactions during the Track Record Period, see Note 38 to the Accountants' Report in Appendix I to this prospectus. Our Directors believe that our transactions with related parties during the Track Record Period were conducted on an arm's-length basis, and they did not distort our results of operations or make our historical results not reflective of our future performance.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

Our Directors confirm that we had not entered into any material off-balance sheet transactions or arrangements during the Track Record Period and up to the Latest Practicable Date.

FINANCIAL RISKS DISCLOSURE

Credit risk

Our Group trades only with recognized and creditworthy third parties. It is our Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis. For further details and an analysis of our credit quality and the maximum exposure to credit risk at the end of each period during the Track Record Period, see Note 42 to the Accountants' Report set out in Appendix I to this prospectus.

Liquidity risk

Our Group's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank and other borrowings. Cash flows are closely monitored on an ongoing basis. For further details and an analysis of our financial liabilities as at the end of each period during the Track Record Period, see Note 42 to the Accountants' Report set out in Appendix I to this prospectus.

Interest rate risk

Our Group's exposure to risk for changes in market interest rates relates primarily to our Group's interest-bearing bank and other borrowings with a floating rate set out in note 28 to the Accountants' Report in Appendix I to this prospectus. Our Group does not use derivative financial instruments to hedge interest rate risk, and obtains all bank borrowings with a floating rate.

Foreign currency risk

Our Group principally conducted business in RMB, which is exposed to foreign currency risk with respect to transactions denominated in currencies other than RMB. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the functional currency of the relevant group entity.

Capital Management

The primary objectives of our Group's capital management are to safeguard our ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximize shareholders' value. We manage our capital structure and make adjustments to us in light of changes in economic conditions. To maintain or adjust the capital structure, we may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

DIVIDENDS

No dividend had been paid or declared by our Company during the Track Record Period. There is no assurance that dividends of any amount will be declared or distributed in any year. Although currently we do not have a formal dividend policy or a fixed dividend distribution ratio, our Board may declare dividends in the future after taking into account various factors, including our future earnings and cash inflows, future plan for use of funds, long-term development of our business, statutory reserves, discretionary common reserve funds, legal and regulatory restrictions, and other factors which our Directors consider relevant. Distribution of dividends will be decided by our Board at their discretion and will be subject to Shareholders' approval. In addition, our dividend policy will also be subject to our Articles of Association, the PRC Company Law and any other applicable PRC laws and regulations. As advised by our PRC Legal Adviser, under the PRC Company Law and our Articles of Association, we are not permitted to declare or pay dividends while we are in a net liabilities position. We may only declare and pay dividends out of distributable profits after making up our accumulated losses and making the requisite appropriations to statutory reserves in accordance with applicable PRC laws and regulations. In any event, we will pay dividends out of our profit after tax only after we have made the following allocations: (a) recovery of accumulated losses, if any; (b) allocation to the statutory common reserve fund an amount of 10% of our profit after tax, as determined under the Accounting Standards for Business Enterprises issued by the MOF (the "**PRC GAAP**") until such fund has reached more than 50% of our registered capital; and (c) allocation, if any, to a discretionary common reserve fund an amount approved by the shareholders in a shareholders' meeting. Payment of dividends is subject to restrictions under PRC laws. Under PRC laws, dividends may be paid only out of distributable profits. Distributable profits are our net profit, less any recovery of accumulated losses and appropriations to statutory and other reserves that we are required to make.

DISTRIBUTABLE RESERVES

As of April 30, 2026, our Group did not have any distributable reserves.

LISTING EXPENSES

Listing expenses represent professional fees, underwriting commission and other fees incurred in connection with the Global Offering. We estimate that our listing expenses will be approximately HK$65.4 million (based on the Offer Price of HK$9.10), which accounts for approximately 6.7% of the gross proceeds from the Global Offering. We estimate the listing expenses to consist of approximately HK$29.2 million in underwriting-related fees and HK$36.2 million in non-underwriting fees (which consist of fees and expenses of legal advisors and our Reporting Accountants of approximately HK$19.3 million and other fees and expenses of approximately HK$16.9 million). During the Track Record Period, we had incurred listing expenses of approximately HK$17.8 million, of which approximately HK$5.0 million was directly attributable to the issue of our Shares and capitalised, and approximately HK$12.8 million was expensed in our consolidated statements of comprehensive loss. We expect to incur listing expenses of approximately HK$47.6 million, of which approximately HK$32.9 million is expected to be directly attributable to the issue of our Shares and will be deducted from equity upon the completion of the Global Offering, and the remaining approximately HK$14.7 million is expected to be expensed in our consolidated statements of comprehensive loss.

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that save for the estimated non-recurring listing expenses as disclosed in the paragraph headed "Listing Expenses" in this section, since April 30, 2026 and up to the date of this prospectus: (i) there was no material adverse change in the market conditions and the industry and the regulatory environment in which our Group operates that affects our financial or operating position materially and adversely; (ii) there was no material adverse change in the business, revenue structure, profitability, cost structure, financial and trading position and prospects of our Group; and (iii) no event had occurred that would affect the information shown in the Accountants' Report in Appendix I to this prospectus materially and adversely.

DISCLOSURE UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors have confirmed that as of the Latest Practicable Date, they were not aware of any circumstances that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

UNAUDITED PRO FORMA STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

For details of our unaudited pro forma adjusted consolidated net tangible assets, see "Unaudited Pro Forma Financial Information" in Appendix II to this prospectus.

FUTURE PLANS

See the section headed "Business — Strategies" for a detailed description of our future plans.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK$904.3 million, after deducting underwriting fees and commissions and other estimated expenses paid and payable by us in relation to the Global Offering, assuming an Offer Price of HK$9.10 per H Share, being the mid-point of the Offer Price range from HK$8.60 to HK$9.60 per H Share. We intend to use these net proceeds for the purposes and in the amounts set forth below:

- approximately 69.5%, or HK$628.5 million, will be used for the construction of production base and new production lines[(1)] and procurement of production-related equipment to enhance our manufacturing capacity and meet the growing market demand. According to Frost & Sullivan, the global and PRC semiconductor packaging & testing markets reached RMB649.4 billion and RMB248.1 billion respectively in 2024, and are projected to grow to RMB933.0 billion and RMB390.0 billion by 2029, respectively. In response to the growing demand in the end markets that adopt our products, we plan to further expand our production capacity prudently and efficiently. Specifically:

  (a) approximately 60.7%, or HK$548.9 million, will be used for the construction of new production facilities and procurement of professional equipment to further enhance our manufacturing capacity. We develop production expansion plans

Notes:

(1) Our directors believe that the construction of production base and new production lines was commercially justified despite the Yangzhou production base not having reached full utilisation during the Track Record Period. The relevant details are set out below:

a) the utilisation rate of the Yangzhou production base during the Track Record Period was affected by the ramp-up stage of its production capacity following the commencement of operations, and therefore did not fully reflect the expected utilisation level upon the production base reaching a mature operating stage. The Yangzhou production base completed construction and commenced trial production in July 2025. As of the Latest Practicable Date, the production base remained at the stage of gradual customer introduction and had not yet reached large-scale mass production;

b) the construction of the production base and new production lines was primarily driven by our Group's planning for future business growth and anticipated customer demand. Given the high requirements of semiconductor packaging and testing production bases in terms of production environment, equipment configuration and customer validation processes, the construction of a new production base generally involves a lengthy construction, commissioning and customer introduction period. It generally takes approximately three years from the commencement of construction to customer acceptance and stable mass production, according to our Directors. Taking the Yangzhou production base as an example, construction commenced in May 2023, and the production base completed construction and commenced trial production in July 2025. As of the Latest Practicable Date, the Yangzhou production base remained at the stage of gradual customer introduction. Accordingly, our Group resolved to commence the construction of the production base and new production lines to proactively prepare for future production capacity requirements and meet the expected growth in customer orders in the coming years; and

c) upon full operation, the production base and new production lines are expected to provide additional designed production capacity of approximately 25,000 to 35,000 wafers (each generally containing approximately 20 to 100 units) per year for 2.5D/3D packaging, approximately 35,000 to 45,000 wafers (each generally containing approximately 1,000 to 60,000 units) per year for bumping, approximately 80 million to 120 million units per year for substrate-based packaging products and approximately 120 million to 180 million units per year for WLP products. The actual product mix may be adjusted based on the customer order mix at the relevant time.

d) Our Directors are of the view that the construction of production base and new production lines is supported by sufficient and sustainable market demand, taking into account the continued growth of the global and PRC semiconductor markets, the Group's proven business growth, as evidenced by the increase in revenue from approximately RMB509.1 million in 2023 to RMB1,012.2 million in 2025, production volume from approximately 2,499 million units to 5,460 million units, and customer base from 127 to 161 during the same period, as well as the Group's strong R&D capabilities, diversified product offerings and portfolio of 232 patents in the PRC. See "Business — Path to Profitability — Increasing Revenue — Increasing production capacity to capture increasing market opportunities" for more information.

primarily based on the anticipated supply and demand for our service, the current and anticipated prices for these services, the utilization of the existing production facilities and the feasibility of their expansion, the estimated cost of development, and capital resources.

(i) approximately 45.7%, or HK$413.3 million, will be used to purchase equipment and machinery required for the expansion of our 2.5D/3D and substrate-based packaging capacity in next five years. We intend to adopt a sophisticated suite of advanced equipment and machinery in packaging and testing to ensure quality output, high production efficiency and manufacturing safety standards within our production operations.
In particular:

(A) For 2.5D/3D packaging, we plan to procure high-precision die attach equipment, fully automated chemical mechanical polishing (CMP) equipment with high uniformity, among others, to facilitate the development of technologies such as large-scale SoC-HBM interconnects, CPO optical links, wide-view interposer packaging for AP-WMCM and advanced CT optical sensing.

(B) For substrate-based packaging, we plan to purchase ultra-large die cleaning equipment, high-pin-count electrical testing machines, among others, to support the development of glass-based IPD, RF modules and phased arrays, as well as high-performance GPU packaging, with a view to achieving reliable, low-latency and high-performance system-level connections in compact formats.

During the Track Record Period, our production team used basic die attach equipment, CMP equipment, etc for 2.5D/3D packaging; and basic die cleaning equipment and electrical testing machines, etc for substrate-based packaging. To cope with more innovative and potentially more complicated designs and packaging requirements, we intend to purchase advanced models of this equipment, which will assist us to create more precise product prototypes at lower cost, higher speed and shorter product turnaround time and thus improve our overall packaging capabilities. As such, we plan to procure the equipment set forth in the table below with the estimated cost based on the quotations obtained by us from the relevant suppliers:

For 2.5D/3D Packaging

Equipment	Number of units	Unit Price
		(HK$'million)
Electroplating equipment	2	29.7
Molding	1	25.1
Sputter system	1	21.2
LDI Exposure	2	20.5
CMP	2	20.5
Lithography machine	2	19.4
TCB	2	14.8
Thermal Debond	1	12.0
Die Attach	3	11.4
3D X ray	1	10.3
Backgrinding equipment	4	11.0
Electroplating equipment	6	24.0
Lithography exposure equipment	6	15.0
PVD	5	19.0
Others	40	0.2-9.9[(1)]

For Substrate-based Packaging

Equipment	Number of units	Unit Price
		(HK$'million)
Grinding and Polishing Integrated Machine	2	12.5
Molding machine	4	12.4
Etching line	2	5.7
Laser Grooving Machine	4	5.6
Dicing saw	5	4.5
Fully Automatic Wire Bonder	480	0.6
Others	77	0.7-7.1[(1)]

Note:

(1) The range of average unit price of all other types of equipment planned to be purchased.

(ii) approximately 15.0%, or HK$135.6 million, will be used for the construction of new production bases and production lines in next five years. This primarily involves material costs and utility expenses to be incurred during the design, construction and/or exterior and interior fitting-out of relevant buildings and installing supporting facilities such as the ventilation and power systems. We plan to increase the production capacity which is in response to the growth in packaging markets and the increasing penetration of our packaging products. While Yangzhou production base commenced operation in July 2025, another new production base, which represents an expansion of our Nanjing production base, would be located in proximity to our Nanjing production base ("**New Production Base**") to enhance our production capacity in packaging products.

The Directors are of the view that the establishment of the New Production Base and the upgrade of machinery for existing production plant is supported by sufficient demand, taking into account industry growth, our historical growth, our competitive advantages over other market players and our anticipated customers' demand. For details, see "Business — Path to Profitability — Increasing production capacity to capture increasing market opportunities"

The table below sets forth the estimated costs for constructing buildings and installing supporting facilities:

Purpose	Estimated Costs
	(HK$'million)
Civil Works (Plant #1 and Site Development)	249.5
Building Services Installation Works (including electrical, drainage, fire protection systems, HVAC and intelligent systems)	48.0
External Works (including external utility networks, landscaping, roads and boundary walls)	53.3
Signage and Wayfinding Systems	0.4
Mechanical and Electrical Engineering Works (including utility plant/power station)	258.7
Civil Works (Plant #2 Construction)	205.3

(b) approximately 5.9%, or HK$53.4 million, will be used to upgrade and enhance our existing production facilities at the Nanjing production base and Yangzhou production base to improve production efficiency and product quality, including the replacement and optimization of key equipment and production lines in next five years.

(c) approximately 2.9%, or HK$26.2 million, will be used for the recruitment of manufacturing personnel in next five years in line with our capacity expansion plan, with a view to supporting the ramp-up of our production operations and the execution of our business strategies.

We expect that (i) the number of orders to be placed by our customers will increase in alignment with our enhanced production capacity; and (ii) there will be growing demand for products of higher complexity and functionality. In anticipation of this growth, our Directors are of the view that it is imperative to recruit additional personnel with extensive industry experience in manufacturing operations. Specifically, we intend to strengthen our workforce in our manufacturing team to ensure that our production capacity can be effectively ramped up in line with our expansion plan. The recruitment of manufacturing personnel with relevant years of experience will be critical to supporting the execution of our business strategies, maintaining quality standards, and meeting the expected increase in customer orders.

The following table sets out the preferred qualifications, experience and salaries of the manufacturing personnel to be recruited:

Position	Number	Qualification and/or requirements	Roles and/or responsibilities	Estimated average monthly salary
				(HK$'000)
Integrated Circuit Operations Staff/Technicians/ Team Leaders	650	To hold at least a college diploma or above and possess relevant operational experience in the integrated circuit industry.	Operations Staff: responsible for production operations, equipment operation, material handling and production data recording, among others; Technicians: responsible for equipment maintenance, troubleshooting, product changeovers and process improvement support, among others; Team Leaders: responsible for production coordination, team management, and ensuring the achievement of production and quality targets, among others.	9.7

Position	Number	Qualification and/or requirements	Roles and/or responsibilities	Estimated average monthly salary
				(HK$'000)
Advanced Packaging Operations Staff/Technicians/Team Leaders.	86	To hold at least a college diploma or above and possess relevant operational experience in the advanced packaging field.	Operations Staff: responsible for production operations, equipment operation, material handling, production and quality data recording, and production site maintenance, among others; Technicians: responsible for production equipment maintenance, troubleshooting, equipment changeovers, product and material validation support, and process improvement support, among others; Team Leaders: responsible for production coordination, team management, achievement of production and quality targets, and production site management, among others.	9.7

- approximately 17.6%, or HK$159.2 million, will be used for enhancing our research and development capabilities in our packaging technologies and improve our technological competitiveness in the semiconductor packaging and testing industry, with a particular focus on the advancement of packaging and testing technologies for our CAPiC platform, covering LDFO, X-SiP, TXV and 2.5D/3D integration. Specifically:

  (a) approximately 8.8%, or HK$79.6 million, will be used for covering salary expenses of our R&D department, including the recruitment of additional qualified R&D and technical personnel in next five years. As of April 30, 2026, our R&D team comprises 277 employees, which accounted for approximately 13.0% of our workforce. In anticipation of our launch of new technologies and mass-production of new product, such as, FOCT-S, CPO and TMV, EMI Shielding SiP and OLGA, we plan to further expand and optimize our R&D team in next five years by recruiting R&D personnel with extensive experience in 2.5D/3D packaging technologies, high-precision optical sensing and high-performance automotive electronics with a view to strengthening our core R&D capabilities, enhancing our innovation capacity and supporting the continued development of our technology platform so that orders for products of higher complexity and more functionality can be handled effectively.

The table below sets forth the preferred qualifications, experience and salaries of the additional R&D personnel to be recruited:

Position	Number	Qualification and/or requirements	Roles and responsibilities	Estimated average monthly salary
				(HK$'000)
R&D Engineering . . .	3	To hold at least an undergraduate level education in a related field of study and experience in the semiconductor industry	Responsible for the research and development of packaging technologies, including 2.5D/3D IC packaging technologies.	13.7
R&D Design	3	To hold at least an undergraduate level education in a related field of study and experience in the semiconductor industry, and be proficient in using design software such as CAD and Cadence	Responsible for the design of packaging solutions, including 2.5D/3D IC packaging technologies.	11.4
Product Engineer . . .	64	To hold at least an undergraduate level education in a related field of study and experience in the semiconductor industry	Responsible for new product introduction, engineering lot execution, validation and mass production transfer, as well as testing solution and program development, data analysis and test program optimization, among others.	8.0-9.1
Process Engineer . . .	164	To hold at least an undergraduate level education in a related field of study and experience in the electronic industry automation improvement as well as in the Bumping process	Responsible for process development and optimisation, process integration, yield and production efficiency improvement, new product introduction, production issue resolution, evaluation and implementation of new equipment, materials and processes, development and optimisation of testing solutions and programs, data processing and problem analysis, as well as cross-functional coordination-among others.	9.1

Position	Number	Qualification and/or requirements	Roles and responsibilities	Estimated average monthly salary
				(HK$'000)
Others	32	To hold a bachelor's degree or higher in a relevant field and possess relevant industry experience	Responsible for packaging design of substrate-based and leadframe-based products, BD drawing preparation, evaluation and introduction of new packaging materials, and development, evaluation and implementation of new packaging processes and structures, among others.	8.0-13.7

(b) approximately 8.8%, or HK$79.6 million, will be used for strengthening our R&D infrastructure and procuring relevant equipment, software and raw materials to support our increasing business needs in next five years. For example, we plan to purchase photolithography machines with ultra-large field of view, flip-chip bonding equipment capable of mounting ultra-large substrates, and wafer-level thermo-compression bonding equipment supporting HBM, primarily for the development of 2.5D/3D products based on silicon-based embedded ultra-large interposers and ultra-large FC-BGA products.

To cope with more innovative and potentially more complicated designs and engineering, we intend to purchase advanced models of photolithography machines with ultra-large field of view, flip-chip bonding equipment capable of mounting ultra-large substrates, and wafer-level thermo-compression bonding equipment supporting HBM, primarily to support the development of 2.5D/3D products based on silicon based embedded ultra-large interposers and ultra-large FC-BGA products. This would assist us to create more precise product prototypes at lower cost, higher speed and shorter product turnaround time and thus improve our overall R&D capabilities. As such, we plan to provide the additional R&D personnels we intend to recruit with the equipment set forth in the table below with the estimated cost based on the quotations obtained by us from the relevant suppliers:

Additional software and equipment	Number of units	Estimated costs
		(HK$'million)
Software:		
Cadence	1	1.1
Ansys	1	4.6-6.8
Equipment:		
3D X ray	1	10.3
Thermal Debond	1	12.0
Wafer grinding machine	1	14.8
Pick-and-place machine	1	7.1
Solder ball placement machine	1	4.2
Cleaning equipment	1	3.4
Flip Chip Bonder	1	2.1
Fully Automatic Die Bonder	1	2.0
Other Equipment	66	0.3-14.8

- approximately 2.9%, or HK$26.2 million, will be used for enhancing our commercialization capabilities and expanding our customer collaboration ecosystem. We plan to:

  (a) approximately 1.0%, or HK$9.0 million, will be used for expanding our sales and marketing, customer service and business support teams in next five years. We believe recruiting such personnel in the PRC with industry insights will improve customer engagement and service capabilities, and expand the geographical coverage of our sales network. As of April 30, 2026, our sales and marketing team comprises 30 employees, which accounted for approximately 1.3% of our workforce. Our Directors consider that personnel of our current sales and marketing team would not have spare capacity to assume additional responsibilities arising from our expansion plan given their current workload. As such, it is necessary for us to hire additional personnel to (i) help secure new customers from both overseas markets and the PRC markets; (ii) perform the relevant market research on the trend of packaging products and to reach out to potential new customers; and (iii) handle the expected increase in purchase orders from both our existing customers and new customers following the expansion of our production capacity.

  Moreover, we intend to recruit sales and marketing executives in the PRC who are experienced in using digital channels for marketing such as social media, email marketing, search engine rankings, online display advertisements and corporate blogs and so forth. The PRC team will focus on building up our brand awareness and promoting our own-brand products through digital channels such as social media, search engine rankings, online display advertisements and corporate blogs in order to boost the sales of our products.The following table sets out the preferred qualifications, experience and salaries of the sales and marketing personnel to be recruited:

Position	Number	Qualification and/or requirements	Roles and responsibilities	Estimated average monthly salary
				(HK$'000)
Business Engineer . . .	4	To hold at least an undergraduate level education in a related field of study such as Microelectronics Science and Engineering, Electronic Engineering, Integrated Circuit Design and Integrated Systems and to have an understanding of technological development trends in the semiconductor industry with relevant industry work experience	Responsible for daily business operations and customer relationship management, including order and production progress tracking, contract management, accounts receivable follow-up, customer visit coordination and internal communication, among others.	13.7

Position	Number	Qualification and/or requirements	Roles and responsibilities	Estimated average monthly salary
				(HK$'000)
Customer Service . . .	6	To hold at least an undergraduate level education and to have relevant experience in the semiconductor industry with customer service experience	Responsible for customer order management, including engineering and mass production order tracking and introduction, delivery coordination, and customer reconciliation and invoicing, among others.	9.1

(b) approximately 0.7%, or HK$6.3 million, will be used for enhancing our digital marketing and operational capabilities to further improve our responsiveness to customers and strengthen customer engagement and service efficiency.

Considering the increased internet penetration rates, the rapid development of professional and industrial digital platforms in the PRC, and the widespread use of smartphones and online communication tools, our Directors believe that enhancing our digital marketing and operational capabilities is critical to strengthening our customer engagement and service efficiency. To strengthen our brand presence and improve customer engagement, we plan to expand our digital marketing channels by leveraging professional and industry-focused platforms such as WeChat, which will allow us to disseminate technical product information, highlight our packaging innovations, and raise brand awareness among targeted corporate customers. In addition, we intend to develop bilingual (Chinese and English) digital content, including technical case studies and product demonstration videos, to showcase to perspective domestic and international customers expertise in our packaging technologies, such as, system-in-package (SiP), WLP, and flip-chip solutions. Furthermore, we intend to enhance our operational responsiveness by introducing customer relationship management systems to streamline communication with key accounts, track project milestones, and improve responsiveness to customer inquiries and technical support requests. We will also strengthen our online service platforms to provide real-time updates on order status, packaging specifications, and delivery schedules. These measures are expected to improve transparency, service efficiency, and overall customer satisfaction. Through these initiatives, we aim to build stronger digital touchpoints with our customers, improve the efficiency of our service delivery, and reinforce our reputation as a responsive and innovative semiconductor packaging partner.

(c) approximately 1.2%, or HK$10.9 million, will be used for expanding our sales network and business presence in Taiwan, China and other overseas markets (South Korea, Japan, Southeast Asia, the U.S. and Germany) where the demand for semiconductor packaging & testing is expected to rise.

Set out below are our Group's plan, feasibility studies conducted, and ability to capture market demand, in particular in new markets:

According to Frost & Sullivan, the global semiconductor packaging market is distributed across multiple regions. In 2025, while the PRC accounted for approximately 39.1% of the global market, other regions collectively represented over 60% of the total market size, including Taiwan, China (approximately 22.2%),

South Korea (approximately 12.2%), Southeast Asia (approximately 10.1%), the United States (approximately 6.7%), Japan (approximately 2.4%) and Germany (approximately 1.8%). During the Track Record Period, most of our revenue came from PRC customers, underscoring strong domestic demand for semiconductor packaging products and testing services. Our Directors believe that expanding our sales network and business presence beyond the PRC is in line with industry practice and is important for broadening our customer base and diversifying our revenue sources.

(i) Taiwan, China

Our Company believes that Taiwan, China presents significant growth potential given its well-established semiconductor supply chain, strong IC design capabilities and concentration of world-leading foundries and OSAT companies. Establishing a stronger presence in Taiwan, China will not only enable our Company to engage more closely with local IC design houses and wafer manufacturers, but also strengthen our collaboration with key industry players. To deepen our market penetration in Taiwan, China, we plan to establish offices and technical support center near major semiconductor design clusters in Hsinchu and Taipei to facilitate direct customer engagement and provide timely technical support. We also intend to recruit experienced local sales personnel to strengthen customer relationships.

As of the Latest Practicable Date, we had commenced cooperation with two leading Taiwan-based fabless semiconductor companies, with the relevant products having entered mass production, and had become a qualified supplier of three other Taiwan-based fabless semiconductor companies. As production volumes ramp up, we expect to deepen cooperation with these customers. We believe our experience in serving leading local customers will facilitate our further expansion among other Taiwan-based fabless semiconductor companies.

(ii) The U.S.

We intend to further expand in the U.S. As of the Latest Practicable Date, our Company was cooperating with a leading U.S. fabless semiconductor company specialising in power management chips for AI applications on a project expected to enter small-volume production in the second half of 2026, while several other potential packaging and testing projects remained at an early development stage. We plan to establish liaison offices in the U.S. and/or undertake joint R&D projects with potential customers. We will also use digital marketing channels and customer relationship management systems to maintain customer engagement and provide timely services across different time zones, thereby building a diversified and resilient sales network and strengthening our market position as a provider of semiconductor packaging products and testing services.

(iii) South Korea and Japan

In South Korea and Japan, we plan to establish relationships with fabless semiconductor companies and recruit experienced local sales and customer service personnel to identify and engage potential customers. In Japan, we had established contact with several well-established electronics and semiconductor-related companies and visited a leading local electronics company for preliminary business and technical discussions. We will leverage our industry resources to progressively advance customer engagement, supplier qualification and product validation.

(iv) Other overseas markets

For other overseas markets, including Southeast Asia and Germany, which remain at an early development stage for us, we plan to expand our potential customer base through regular customer visits and raise market awareness of its packaging and testing capabilities. We also intend to participate in regional semiconductor trade fairs to enhance brand recognition and capture new business opportunities.

Across these new markets, our potential competitive advantages include the broad general- purpose packaging portfolio covering QFN, BGA, LGA, WLP and 2.5D/3D products, our ability to provide customized packaging products and testing services across both traditional and advanced packaging categories, our CAPiC technology platform, responsive engineering services, cost-efficient production base in China and IATF 16949 and ISO 9001 certified quality-management systems. These capabilities may be particularly attractive to customers seeking flexible external capacity, diversified packaging technologies and competitive cost and turnaround time, although we would still need to complete customer-specific qualification and strengthen local sales and technical-support capabilities in each market, which our Company is working on.

Considering the potential growth and opportunity of the aforesaid new markets, our Directors believe that our plans on expansion of sales network and business presence are feasible to be executed, and are able to capture customer demand in such markets.

- approximately 10%, or HK$90.4 million, is expected to be used for our working capital and other general corporate purposes.

IMPLEMENTATION PLANS

In pursuance of the above business objectives, the implementation plans of our Group are set forth below from the Listing Date to December 31, 2030. Investors should note that the following implementation plans are formulated on the bases and assumptions referred to the paragraph headed "Bases and assumptions" in this section below. These bases and assumptions are inherently subject to many uncertainties and unpredictable factors, in particular the risk factors set forth in the section headed "Risk factors" of this prospectus. Therefore, there is no assurance that our Group's business plans will materialise in accordance with the estimated time frame and that our future plans will be accomplished at all.

	Intended capital expenditure (A)	Use of proceed: For the year ending December 31, 2026	2027	2028	2029	2030	Net proceed (B)	Approximate % of net proceed	From internal resources and/or bank or other financing ((A-B), except for general working capital)
	HK$'million	*% of B*	*% of B*	*% of B*	*% of B*	*% of B*	*HK$'million*		*HK$'million*
Construction of production base and new production lines and procurement of production-related equipment to enhance our manufacturing capacity									
(a) Construction of new production facilities and procurement of professional equipment to further enhance our manufacturing capacity									
(i) To purchase equipment and machinery required for the expansion of our 2.5D/3D and substrate-based packaging capacity	2,242.3	0	50.0	30.0	10.0	10.0	413.3	45.7%	1,829.0
(ii) For the construction of new production bases and production lines, which primarily involves material costs and utility expenses to be incurred during the design, construction and/or exterior and interior fitting-out of relevant buildings and installing supporting facilities such as the ventilation and power systems	739.5	20.0	40.0	20.0	10.0	10.0	135.6	15.0%	603.9
(b) to upgrade and enhance our existing production facilities to improve production efficiency and product quality, including the replacement and optimization of key equipment and production lines	531.7	30.0	30.0	20.0	10.0	10.0	53.4	5.9%	478.3
(c) for the recruitment of manufacturing personnel in next five years in line with our capacity expansion plan, with a view to supporting the ramp-up of our production operations and the execution of our business strategies	250.4	20.0	30.0	30.0	10.0	10.0	26.2	2.9%	224.2
Enhancing our research and development capabilities in packaging technologies and improve our technological competitiveness in the semiconductor packaging and testing industry, with a particular focus on the advancement of cutting-edge packaging and testing technologies for our CAPiC platform, covering LDFO, X-SiP, TXV and 2.5D/3D integration									

	Intended capital expenditure (A)	Use of proceed For the year ending December 31, 2026	2027	2028	2029	2030	Net proceed (B)	Approximate % of net proceed	From internal resources and/or bank or other financing ((A-B), except for general working capital)
	HK$'million	*% of B*	*% of B*	*% of B*	*% of B*	*% of B*	*HK$'million*		*HK$'million*
(a) used for covering salary expenses of our R&D department, including the recruitment of additional qualified R&D and technical personnel.	291.5	30.0	25.0	25.0	10.0	10.0	79.6	8.8%	211.9
(b) used for strengthening our R&D infrastructure and procuring relevant equipment, software and raw materials to support our increasing business needs in next five years.	291.5	30.0	25.0	25.0	10.0	10.0	79.6	8.8%	211.9
Enhancing our commercialization capabilities and expanding our customer collaboration ecosystem									
(a) used for expanding our sales and marketing, customer service and business support teams in next five years.	40.8	30	25	25	10	10	9.0	1.0%	31.8
(b) used for enhancing our digital marketing and operational capabilities to further improve our responsiveness to customers and strengthen customer engagement and service efficiency. . . .	29.1	30	25	25	10	10	6.3	0.7%	22.8
(c) used for expanding our sales network and business presence in Taiwan, China and other overseas markets (South Korea, Japan, Southeast Asia, the U.S. and Germany) where the demand for semiconductor packaging & testing is expected to rise	46.6	30	25	25	10	10	10.9	1.2%	35.7
General working capital and other general corporate purposes[1]	–	20.0	20.0	20.0	20.0	20.0	90.4	10%	–
Total	4,463.5	13.5	38.6	25.9	11.0	11.0	904.3	100%	3,559.2

Note:

(1) The general working capital does not constitute part of the total amount required for our implementation plan.

BASES AND ASSUMPTIONS

Our Directors have adopted principal assumptions in the preparation of the implementation plan up to December 31, 2030 as follows: (a) Our Group will have sufficient financial resources to meet the planned capital expenditure and business development requirements during the period to which our future plans relate; (b) There will be no material changes in the existing political, legal, fiscal, social or economic conditions in the PRC or in any other places in which any member of our Group carries on its business or will carry on its business; (c) There will be no material change in the funding requirement for each of our Group's future plans described in this prospectus from the amount as estimated by our Directors; (d) There will be no material change in existing laws and regulations, or other governmental policies relating to our Group, or in the political, economic or market conditions in which our Group operates; and (e) There will be no change in the effectiveness of the licences, permits and qualifications obtained by our Group.

The above allocation of the proceeds will be adjusted on a pro-rata basis in the event that the Offer Price is fixed at a higher or lower level compared to the mid-point of the Offer Price range stated in this prospectus.

If the Offer Price is fixed at HK$9.60 per H Share (being the high end of the Offer Price range stated in this prospectus), we will receive net proceeds of approximately HK$956.0 million. If the Offer Price is fixed at HK$8.60 per H Share (being the low end of the Offer Price range stated in this prospectus), the net proceeds we receive will be approximately HK$852.7 million.

If the net proceeds of the Global Offering are not immediately applied to the above purposes and to the extent permitted by applicable law and regulations, we will 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 (Cap. 571) or applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules and make an appropriate announcement if there is any change to the above proposed use of proceeds.

HONG KONG UNDERWRITERS

Huatai Financial Holdings (Hong Kong) Limited
Huafu International Securities Limited
First Shanghai Securities Limited
SDIC Securities (Hong Kong) Limited
China Galaxy International Securities (Hong Kong) Co., Limited
CNCB (Hong Kong) Capital Limited
SPDB International Capital Limited
CMBC Securities Company Limited
Winbull Securities International (Hong Kong) Limited
Emperor Securities Limited

UNDERWRITING

This prospectus is published solely in connection with the Hong Kong Public Offering. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters on a conditional basis. The International Offering is expected to be fully underwritten by the International Underwriters. If, for any reason, the Offer Price is not agreed between the Sole Sponsor-Overall Coordinator (on behalf of the Underwriters) and our Company, the Global Offering will not proceed and will lapse.

The Global Offering comprises the Hong Kong Public Offering of initially 10,656,500 Hong Kong Offer Shares and the International Offering of initially 95,906,000 International Offer Shares, subject, in each case, to reallocation on the basis as described in the section headed "Structure of the Global Offering" in this prospectus.

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, our Company is offering initially 10,656,500 Hong Kong Offer Shares (subject to reallocation) for subscription by way of the Hong Kong Public Offering on and subject to the terms and conditions of this prospectus and the Hong Kong Underwriting Agreement at the Offer Price.

Subject to (i) the Hong Kong Stock Exchange granting approval for the listing of, and permission to deal in, the H Shares pursuant to the Global Offering on the Main Board of the Stock Exchange and such approval not having been withdrawn; and (ii) certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have agreed severally and not jointly to apply or procure applications, on the terms and conditions of this prospectus, for their respective applicable proportions of the Hong Kong Offer Shares which are being offered but are not taken up under the Hong Kong Public Offering.

The Hong Kong Underwriting Agreement is conditional on, among other things, the International Underwriting Agreement having been signed and becoming unconditional and not having been terminated in accordance with its terms.

Grounds for Termination

The Sole Sponsor and Sole Sponsor-Overall Coordinator (for itself and on behalf of the Hong Kong Underwriters) shall be entitled, in their sole and absolute discretion and by giving 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:

(i) there shall develop, occur, exist or come into effect:

(a) any new law or regulation or any change or development involving a prospective change or any event or series of events or circumstances likely to result in a change or a development involving a prospective change in existing laws or regulations, or the interpretation or application thereof by any court or any competent Authority (as defined in the Hong Kong Underwriting Agreement) in or affecting Hong Kong, the PRC, the United States, the United Kingdom, the European Union (or any member thereof), Japan, Singapore or other jurisdictions relevant to our Group or the Global Offering (each a "**Relevant Jurisdiction**" and collectively, the "**Relevant Jurisdictions**"); or

(b) any change or development involving a prospective change, or any event or series of events or circumstances likely to result in a change or prospective change, in any local, national, regional or international financial, political, military, industrial, economic, fiscal, legal, regulatory, currency, credit or market conditions or sentiments, Taxation (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 material devaluation of the Hong Kong dollar, United States dollar or Renminbi against any foreign currencies, a change in the system under which the value of the Hong Kong dollar is linked to that of the United States dollar or the Renminbi is linked to any foreign currency or currencies) or other financial markets (including, without limitation, conditions and sentiments in stock and bond markets, money and foreign exchange markets, the inter-bank markets and credit markets) in or affecting any Relevant Jurisdictions, or affecting an investment in the Offer Shares; or

(c) any event or series of events, or circumstances in the nature of force majeure (including, without limitation, any acts of government, declaration of a regional, national or international emergency or war, calamity, crisis, economic sanctions, strikes, labor disputes, other industrial actions, lock-outs, fire, explosion, flooding, tsunami, earthquake, volcanic eruption, civil commotion, riots, rebellion, public disorder, paralysis in government operations, acts of war, epidemic, pandemic, outbreak or escalation, mutation or aggravation of diseases, accident or interruption or delay in transportation, local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared), act of God or act of terrorism (whether or not responsibility has been claimed)) in or affecting any of the Relevant Jurisdictions; or

(d) the imposition or declaration of any moratorium, suspension or limitation (including without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) on (i) the trading in shares or securities generally on the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the Tokyo Stock Exchange, the Singapore Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market or the London Stock Exchange; or (ii) the trading in any securities of the Company listed or quoted on a stock exchange or an over-the-counter market; or

(e) the imposition or declaration of any general moratorium on banking activities in or affecting any of the Relevant Jurisdictions or any disruption in commercial banking or foreign exchange trading or securities settlement or clearing services, procedures or matters in or affecting any of the Relevant Jurisdictions; or

(f) other than with the prior written consent of the Sole Sponsor-Overall Coordinator, the issue or requirement to issue by the Company of a supplement or amendment to the Prospectus, the CSRC Filings, or other documents in connection with the offer and sale of the Offer Shares pursuant to the Companies (Winding up and Miscellaneous Provisions) Ordinance or the Listing Rules, the CSRC Rules or upon any requirement or request of the Stock Exchange, the SFC and/or the CSRC; or

(g) the commencement by any Authority (as defined in the Hong Kong Underwriting Agreement) or other regulatory or political body or organization of any public action or investigation against a Group Company or a director or a senior management member of any Group Company or announcing an intention to take any such action; or

(h) the imposition of sanctions or export controls in whatever form, directly or indirectly, on any Group Company or any of our Single Largest Group of Shareholders or by or on any Relevant Jurisdiction, or the withdrawal of trading privileges which existed on the date of this Agreement, in whatever form, directly or indirectly, by, or for, any Relevant Jurisdiction; or

(i) any valid demand by creditors for payment or repayment of indebtedness of any member of our Group or in respect of which any member of our Group is liable prior to its stated maturity; or

(j) any non-compliance of the Prospectus (or any other documents used in connection with the contemplated offering, allotment, issue, subscription or sale of any of the Offer Shares), the CSRC Filings (as defined in the Hong Kong Underwriting Agreement) or any aspect of the Global Offering with the Listing Rules or any other applicable Laws (as defined in the Hong Kong Underwriting Agreement); or

(k) any litigation, dispute, legal action or claim or regulatory or administrative investigation or action being threatened, instigated or announced against any member of our Group or any Single Largest Group of Shareholder or any Director or senior management members as named in the Prospectus; or

(l) any contravention by the Company, any Group Company or any Director of the Listing Rules or applicable Laws (as defined in the Hong Kong Underwriting Agreement); or

(m) any change or prospective change, or a materialization of, any of the risks set out in the section headed "Risk Factors" in this prospectus,

which, in any such case individually or in the aggregate, in the sole and absolute opinion of the Sole Sponsor and the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Hong Kong Underwriters):

(A) has or will or may have a material adverse effect or any development involving a prospective material adverse effect, on the profits, losses, results of operations, assets, liabilities, general affairs, business, management, performance, prospects, shareholders' equity, position or condition (financial, trading or otherwise) of our Group, taken as a whole ("**Material Adverse Effect**");

(B) has or will or may have a material adverse effect on the success of the Global Offering or the level of applications under the Hong Kong Public Offering or the level of indications of interest under the International Offering; or

(C) makes or will make or may make it impracticable, inadvisable, inexpedient or incapable for any material part of the Hong Kong Underwriting Agreement, the Hong Kong Public Offering or the Global Offering to be performed or implemented as envisaged, or for the Hong Kong Public Offering and/or the Global Offering to proceed, or to market the Global Offering or the delivery or distribution of the Offer Shares on the terms and in the manner contemplated by the Offering Documents (as defined in the Hong Kong Underwriting Agreement); or

(D) has or will or may have the effect of making any part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or preventing the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or

(ii) there has come to the notice of the Sole Sponsor and the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Hong Kong Underwriters) that:

(a) any statement contained in any of the Offering Documents (as defined in the Hong Kong Underwriting Agreement), the CSRC Filings (as defined in the Hong Kong Underwriting Agreement) and/or any notices, announcements, advertisements, communications or other documents in connection with the Hong Kong Public Offering (including any supplement or amendment thereto but save and except for the Underwriters' Information) (as defined in the Hong Kong Underwriting Agreement) (the "**Global Offering Documents**") was, when it was issued, or has become untrue, incorrect, inaccurate in any material respect or misleading; or that any estimate, forecast, expression of opinion, intention or expectation contained in any such documents, was, when it was issued, or has become unfair or misleading in any respect or based on untrue, dishonest or unreasonable assumptions or given in bad faith; or

(b) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this prospectus, constitute a material omission or misstatement in any Global Offering Document; or

(c) any breach of, or any event or circumstance rendering untrue or incorrect or misleading in any respect, any of the representations, warranties and undertakings given by our Company or our Single Largest Group of Shareholders in the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or

(d) any event, act or omission which gives rise or is likely to give rise to any liability of any of the Indemnifying Parties (as defined in the Hong Kong Underwriting Agreement) pursuant to the indemnities in the Hong Kong Underwriting Agreement; or

(e) any breach of any of the obligations or undertakings imposed upon our Company or any member of the Single Largest Group of Shareholders or any cornerstone investor (as applicable) to the Hong Kong Underwriting Agreement, the International Underwriting Agreement or the Cornerstone Investment Agreements; or

(f) there is any change or development involving a prospective change, constituting or having a Material Adverse Effect; or

(g) that the Chairman of the Board, any Director or any member of senior management of our Company named in this prospectus seeks to retire, or is removed from office or vacating his/her office; or

(h) any Director or any member of senior management of our Company named in this prospectus is being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management or taking directorship of a company or there is the commencement by any governmental, political or regulatory body of any investigation or other action against any Director or member of senior management of our Company in his or her capacity as such or any member of our Group or an announcement by any governmental, political or regulatory body that it intends to commence any such investigation or take any such action; or

(i) 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

(j) that the approval by the Listing Committee of the listing of, and permission to deal in, the H Shares in issue and to be issued pursuant to the Global Offering is refused or not granted, other than subject to customary conditions, on or before the Listing Date, or if granted, the approval is subsequently withdrawn, cancelled, qualified (other than by customary conditions), revoked or withheld; or

(k) any person (other than any of the Sole Sponsor or the Sole Sponsor-Overall Coordinator) has withdrawn or sought to withdraw any consent required by applicable Laws or the Listing Rules to the issue of any Offering Document (as defined in the Hong Kong Underwriting Agreement), to the inclusion therein of its reports, letters and/or legal opinions, or to being named therein; or

(l) 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

(m) an order or petition is presented for the winding-up or liquidation of any member of our Group, or any member of our Group makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of 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 occurs in respect of any member of our Group; or

(n) (A) the notice of acceptance of the CSRC Filings (as defined in the Hong Kong Underwriting Agreement) issued by the CSRC and/or the results of the CSRC Filings (as defined in the Hong Kong Underwriting Agreement) published on the website of the CSRC is rejected, withdrawn, revoked or invalidated; or (B) other than with the prior written consent of the Sole Sponsor-Overall Coordinator, the issue or requirement to issue by our Company of a supplement or amendment to the CSRC Filings (as defined in the Hong Kong Underwriting Agreement) pursuant to the CSRC Rules (as defined in the Hong Kong Underwriting Agreement) or upon any requirement or request of the CSRC; or (C) any non-compliance of the CSRC Filings (as defined in the Hong Kong Underwriting Agreement) with the CSRC Rules (as defined in the Hong Kong Underwriting Agreement) or any other applicable Laws (as defined in the Hong Kong Underwriting Agreement); or

(o) that (i) a material portion of the orders placed or confirmed in the bookbuilding process or (ii) any investment commitment made by any cornerstone investors under the Cornerstone Investment Agreements duly 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 amount commitment has not been received or settled in the stipulated time and manner or otherwise.

Undertakings to the Stock Exchange pursuant to the Listing Rules

Undertakings by Our Company

Pursuant to Rule 10.08 of the Listing Rules, our Company has undertaken to the Stock Exchange that it will not issue any further Shares or securities convertible into equity securities of our Company (whether or not of a class already listed) or enter into any agreement to such an issue within six months from the Listing Date (whether or not such issue of Shares or securities will be completed within six months from the Listing Date), except for (a) pursuant to the Global Offering; or (b) under any of the circumstances provided under Rule 10.08 of the Listing Rules.

Undertakings Pursuant to the Hong Kong Underwriting Agreement

Undertakings by Our Company

Pursuant to the Hong Kong Underwriting Agreement, our Company has undertaken to each of the Sole Sponsor, the Sole Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Capital Market Intermediaries, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that except pursuant to the Global Offering, at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling six months after the Listing Date (the "**First Six-Month Period**"), it will not, without the prior written consent of the Sole Sponsor and the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Hong Kong Underwriter) and unless in compliance with the requirements of the Listing Rules:

(i) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, assign, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to subscribe for or purchase, grant or purchase any option, warrant, contract or right to allot, issue or sell, or otherwise transfer or dispose of or create an encumbrance under the Hong Kong Underwriting Agreement (the "**Encumbrance**") over, or agree to transfer or dispose of or create an Encumbrance over, either directly or indirectly, conditionally or unconditionally, or repurchase, any legal or beneficial interest in the share capital or any other securities of our Company or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase any share capital or other securities of our Company, as applicable), or deposit any share capital or other securities of our Company, as applicable, with a depositary in connection with the issue of depositary receipts; or

(ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of the Shares or any other securities of our Company, or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares); or

(iii) enter into any transaction with the same economic effect as any transaction described in (i) or (ii) above; or

(iv) offer to or agree to do any of the foregoing specified in (i), (ii) or (iii) or announce any intention to do so,

in each case, whether any of the foregoing transactions is to be settled by delivery of share capital or such other securities, in cash or otherwise (whether or not the issue of such share capital or other securities will be completed within the First Six-Month Period). The Company further agrees that, in the event our Company is allowed to enter into any of the transactions described in (i), (ii) or (iii) above or offers to or agrees to or announces any intention to effect any such transaction during the period of six months commencing on the date on which the First Six-Month Period expires (the "**Second Six-Month Period**"), it will take all reasonable steps to ensure that such an issue or disposal will not, and no other act of our Company will, create a disorderly or false market for any H Shares or other securities of our Company.

Our Single Largest Group of Shareholders undertake to each of the Sole Sponsor, the Sole Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Capital Market Intermediaries, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that it/he/she shall procure the Company to comply with the undertakings in the paragraph above.

The Company has agreed and undertaken to each of the Sole Sponsor, the Sole Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Capital Market Intermediaries, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that it will comply with the minimum public float requirements (the "**Minimum Public Float Requirement**") and the minimum free float requirements (the "**Minimum Free Float Requirement**") specified in the Listing Rules, and it will not (a) effect any purchase of the H Shares, or agree to do so, which may reduce the holdings of the H Shares held by the public (as defined in Rule 8.24 of the Listing Rules) to below the Minimum Public Float Requirement or any waiver granted and not revoked by the Stock Exchange prior to the expiration of the Second Six-Month Period without first having obtained the prior written consent of the Sole Sponsor and the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Hong Kong Underwriters); or (b) enter into any agreement, arrangement or transaction which shall cause or have the effect of causing the portion of the H Shares that are held by the public and that are available for trading and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable Laws or otherwise) on the Listing Date to fall below the Minimum Free Float Requirement under Rule 19A.13C of the Listing Rules.

Undertakings by Our Single Largest Group of Shareholders

Our Single Largest Group of Shareholders have undertaken to each of our Company, the Sole Sponsor, the Sole Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries that, without the prior written consent of the Sole Sponsor and the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules:

(a) it/he/she will not, and will procure that the relevant registered holder(s), any nominee or trustee holding on trust for it/him/her and the companies controlled by it/him/her will not, at any time during the First Six-Month Period, (i) sell, offer to sell, accept subscription for, contract or agree to allot, issue or sell, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to purchase, grant or purchase any option, warrant, contract or right to sell, or otherwise transfer or dispose of or create an Encumbrance over, or agree to transfer or dispose of or create an Encumbrance over, either directly or indirectly, conditionally or unconditionally, any H Shares or other securities of our Company or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any H Shares

or any such other securities, as applicable or any interest in any of the foregoing), or deposit any H Shares or other securities of our Company with a depositary in connection with the issue of depositary receipts, or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of any H Shares or other securities of our Company or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any H Shares or any such other securities of our Company, as applicable or any interest in any of the foregoing), or (iii) enter into any transaction with the same economic effect as any transaction specified in (i) or (ii) above, or (iv) offer to or agree to or announce any intention to effect any transaction specified in (i), (ii) or (iii) above, in each case, whether any of the transactions specified in (i), (ii) or (iii) above is to be settled by delivery of H Shares or other securities of our Company or in cash or otherwise, and whether or not the transactions will be completed within the First Six Month Period; and

(b) it/he/she will not, during the Second Six-Month Period, enter into any of the transactions specified in (a)(i), (a)(ii) or (a)(iii) above or offer to or agree to contract to or publicly announce any intention to effect any such transaction if, immediately following any sale, transfer or disposal or upon the exercise or enforcement of any option, right, interest or Encumbrance pursuant to such transaction, it will cease to be a member of our Single Largest Group of Shareholders or would together with the other member of our Single Largest Group of Shareholders cease to be our Group of our Single Largest Group of Shareholders of our Company; and

(c) until the expiry of the Second Six-Month Period, in the event that it enters into any of the transactions specified in (a)(i), (a)(ii) or (a)(iii) or offer to or agrees to or contract to or publicly announce any intention to effect any such transaction, it/he/she will take all reasonable steps to ensure that such a disposal will not create a disorderly or false market in the securities of our Company.

Furthermore, the Single Largest Group of Shareholders of our Company have voluntarily undertaken to each of our Company, the Sole Sponsor, the Sole Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries that they agreed to: (i) extend the lock-up period for the Unlisted Shares to 3 years; and (ii) extend the lock-up period for the H Shares to 2 years. Pursuant to which, in addition to the lock-up periods, the H Shares held by the Single Largest Group of Shareholders upon listing are also subject to a phased unlocking arrangement. Specifically, up to 60% of the aforesaid H Shares may be unlocked and transferred commencing from the first trading day following the second anniversary of the listing date until the day before the third anniversary. All remaining H Shares may be unlocked and freely transferable from the first trading day following the third anniversary of the listing date.

Underwriters' interest in our Group

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 Underwriters was interested directly or indirectly in any of our Shares or securities or any shares or securities of any other member of our Group or had any right or option (whether legally enforceable or not) to subscribe for, or to nominate persons to subscribe for, any of our Shares or securities or any shares or securities of any other member of our Group.

Following the completion of the Global Offering, the Underwriters and their affiliated companies may hold a certain portion of our H Shares as a result of fulfilling their respective obligations under the Hong Kong Underwriting Agreement and International Underwriting Agreement.

INTERNATIONAL OFFERING

International Underwriting Agreement

In connection with the International Offering, it is expected that our Company will enter into the International Underwriting Agreement with the Sole Sponsor, the Sole Sponsor-Overall Coordinator and the International Underwriters. Under the International Underwriting Agreement, the International Underwriters will, subject to certain conditions set out therein, severally and not jointly, agree to procure subscribers or purchasers for, or to purchase, their respective proportions of the International Offer Shares being offered under the International Offering (subject to, among other, any reallocation between the International Offering and the Hong Kong Public Offering). It is expected that the International Underwriting Agreement may be terminated on grounds similar to those contained in the Hong Kong Underwriting Agreement. See the subsection headed "Structure of the Global Offering — The International Offering" for further details.

The Company has agreed to indemnify the Sole Sponsor, the Sole Sponsor-Overall Coordinator, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and the Capital Market Intermediaries for certain losses which they may suffer or incur, including losses arising from their performance of their obligations under the Hong Kong Underwriting Agreement and any breach by the Company of the Hong Kong Underwriting Agreement.

UNDERWRITING COMMISSIONS AND LISTING EXPENSES

Our Company has agreed to pay the Underwriters and the Capital Market Intermediaries an underwriting commission equal to 1.5% of the aggregate Offer Price payable for the Offer Shares, out of which they will pay any sub-underwriting commissions and other fees (the "**Fixed Fees**"). Our Company may, at our sole and absolute discretion, pay to one or more Underwriters or Capital Market Intermediaries an additional incentive fee up to 1.5% of the Offer Price payable for the Offer Shares (the "**Discretionary Fees**"). As of the date of this prospectus, the allocation of a portion of the Fixed Fees remains subject to the Company's discretion. Accordingly, the unallocated portion of the Fixed Fees will be regarded as discretionary fees for the purpose of the Listing Rules. If the Discretionary Fees are fully paid, the ratio of the fixed fee and discretionary fee (as classified under and for the purpose of Rule 3A.34 of the Listing Rules) payable to all Underwriters and Capital Market Intermediaries is therefore approximately 46:54. For any unsubscribed Hong Kong Offer Shares reallocated to the International Offering, the underwriting commission will not be paid to the Hong Kong Underwriters but will instead be paid, at the rate applicable to the International Offering, to the relevant International Underwriters.

The aggregate underwriting commissions and fees (including the incentive fees and assuming full payment), together with the Stock Exchange listing fees, the SFC transaction levy, AFRC transaction levy the Stock Exchange trading fee, legal and other professional fees, printing and other expenses relating to the Global Offering, are estimated to be approximately HK$65.4 million (assuming an Offer Price of HK$9.10 per Offer Share (being the mid-point of the Offer Price range), the full payment of the discretionary incentive fee) in aggregate, and are to be borne by us.

ACTIVITIES BY SYNDICATE MEMBERS

We describe below a variety of activities that each of the Underwriters and the Capital Market Intermediaries of the Hong Kong Public Offering and the International Offering (together, the "**Syndicate Members**") and their affiliates, may individually undertake, and which do not form part of the underwriting process. When engaging in any of these activities, it should be noted that the Syndicate Members are subject to restrictions, including the following: (a) under the agreement among the Syndicate Members, all of them must not make bids or purchases or effect any other transactions (including but not limited to issuing any option or derivative or structured product which has, as its underlying asset, any Offer Shares), whether in the open market or otherwise, for

the purpose of or with a view to creating actual, or apparent, active trading in the Offer Shares or raising, stabilizing or maintaining the price of the Offer Shares to or at levels other than those which might otherwise prevail in the open market; and (b) all of them 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.

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 accounts of others. In relation to the H Shares, those activities could include acting as agent for buyers and sellers of the H Shares, 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 the H Shares as their or part of their underlying assets. Those activities may require hedging activity by those entities involving, directly or indirectly, buying and selling the H Shares. All such activity could occur in Hong Kong and elsewhere in the world and may result in the Syndicate Members and their affiliates holding long and/or short positions in the H Shares, in baskets of securities or indices including the H Shares, in units of funds that may purchase the H Shares, or in derivatives related to any of the foregoing.

In relation to issues by the Syndicate Members or their affiliates of any listed securities having the H Shares as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the rules of the exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in the H Shares in most cases.

These activities may affect the market price or value of the H Shares, the liquidity or trading volume in the H Shares, and the volatility of the price of the H Shares, and the extent to which this occurs from day to day cannot be estimated.

No stabilizing manager will be appointed, and it is anticipated that no stabilization activities will be carried out in relation to the Global Offering.

UNDERWRITERS' AND CAPITAL MARKET INTERMEDIARIES' INTEREST IN OUR GROUP

Except as disclosed in this prospectus and the obligations under the Hong Kong Underwriting Agreement and the International Underwriting Agreement, none of the Underwriters and the Capital Market Intermediaries has any shareholding interest in any member of our Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to 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.

SOLE SPONSOR'S INDEPENDENCE

The Sole Sponsor satisfy the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules.

THE GLOBAL OFFERING

This prospectus is published in connection with the Hong Kong Public Offering as part of the Global Offering. The Global Offering comprises:

(i) the Hong Kong Public Offering of initially 10,656,500 Offer Shares (subject to reallocation) in Hong Kong as described in "— The Hong Kong Public Offering" below in this section; and

(ii) the International Offering of initially 95,906,000 Offer Shares (subject to reallocation) outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales occur, as described in "— The International Offering" below in this section.

Investors may either apply for the Hong Kong Offer Shares under the Hong Kong Public Offering, or apply for or indicate an interest for the International Offer Shares under the International Offering, but may not do both.

The Offer Shares in the Global Offering will represent approximately 10.0% of our enlarged share capital immediately after the completion of the Global Offering. The underwriting arrangements, and the respective Underwriting Agreements, are summarized in the section headed "Underwriting" in this prospectus.

References in this prospectus to applications, application or subscription monies or procedure for applications relate solely to the Hong Kong Public Offering.

THE HONG KONG PUBLIC OFFERING

Number of Offer Shares Initially Offered

Our Company is offering 10,656,500 Offer Shares (subject to reallocation) for subscription by the public in Hong Kong at the Offer Price, representing approximately 10.0% of the total number of Offer Shares initially available under the Global Offering. The number of Offer Shares initially offered under the Hong Kong Public Offering, subject to any reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, will represent approximately 1.0% of our Company's enlarged share capital immediately after completion of the Global Offering.

The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to institutional and professional investors. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities.

Completion of the Hong Kong Public Offering is subject to the conditions as set out in "— Conditions of the Global Offering" below in this section.

Allocation

Allocation of the Hong Kong Offer Shares to applicants under the Hong Kong Public Offering will be based on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary depending on the number of Hong Kong Offer Shares validly applied for by applicants. We may, if necessary, allocate the Hong Kong Offer Shares on the basis of balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

For allocation purposes only, the total number of the Hong Kong Offer Shares available under the Hong Kong Public Offering is to be divided equally into two pools (subject to reallocation at odd lot size): pool A and pool B, both of which are available on an equitable basis to successful applicants with any odd board lots being allocated to pool A:

Pool A: the Offer Shares will be allocated on an equitable basis to applicants who have applied for the Hong Kong Offer Shares with an aggregate subscription price of HK$5 million (excluding the brokerage, the SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee payable) or less; and

Pool B: the Offer Shares will be allocated on an equitable basis to applicants who have applied for the Hong Kong Offer Shares with an aggregate subscription price of more than HK$5 million (excluding the brokerage, the SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee payable) and up to the total value of pool B.

Applicants should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If the Hong Kong Offer Shares in one (but not both) of the pools are under-subscribed, the surplus Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in the pool and be allocated accordingly. For the purpose of this subsection only, the "subscription price" for the Offer Shares means the price payable on application therefor (without regard to the Offer Price as finally determined). Applicants can only receive an allocation of Hong Kong Offer Shares from either pool A or pool B but not from both pools. Multiple or suspected multiple applications under the Hong Kong Public Offering and any application for more than 50% of the Hong Kong Offer Shares initially comprised in the Hong Kong Public Offering 5,328,000 Hong Kong Offer Shares (being approximately) will be rejected.

Reallocation

The Offer Shares to be offered in the Hong Kong Public Offering and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Sole Sponsor-Overall Coordinator. Subject to the allocation cap described in the subsequent paragraph, the Sole Sponsor-Overall Coordinator may in their discretion reallocate Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering. In addition, if the Hong Kong Public Offering is not fully subscribed, the Sole Sponsor-Overall Coordinator 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 Sole Sponsor-Overall Coordinator deem appropriate. In the event of reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering in the circumstances where (a) the International Offer Shares are fully subscribed or oversubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times, or (b) the International Offer Shares are undersubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times, then up to 5,327,500 Offer Shares may be reallocated from the International Offering to the Hong Kong Public Offering, so that the total number of Offer Shares available for subscription under the Hong Kong Public Offering will increase up to 15,984,000 Offer Shares, representing approximately 15% of the number of Offer Shares initially available under the Global Offering and the final Offer Price shall be fixed at the bottom end of the indicative price range (i.e. HK$8.60 per Offer Share) in accordance with Chapter 4.14 of the Guide for New Listing Applicants.

Given the initial allocation of the Offer Shares to the Hong Kong Public Offering and the International Offering follows Mechanism B set out under paragraph 2 of Chapter 4.14 of the Guide 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, November 9, 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 International Offering is liable to be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be).

The listing of the Offer Shares on the Stock Exchange is sponsored by the Sole Sponsor. Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channel), the maximum Offer Price of HK$9.60 per Offer Share in addition to any brokerage, SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee payable on each Offer Share, amounting to a total of HK$4,848.41 for one board lot of 500 H Shares. If the Offer Price, as finally determined in the manner described in the sub-section headed "— Pricing and Allocation" in this section below, is less than the maximum Offer Price of HK$9.60 per Offer Share, appropriate refund payments (including the brokerage, the SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee attributable to the surplus application monies) will be made to successful applicants (subject to application channels), without interest. Further details are set out below in the section headed "How to Apply for Hong Kong Offer Shares" in this prospectus.

THE INTERNATIONAL OFFERING

Number of Offer Shares Offered

Our Company will be initially offering for subscription under the International Offering 95,906,000 Offer Shares, representing approximately 90.0% of the Offer Shares initially available under the Global Offering and approximately 9.0% of our enlarged issued share capital immediately after completion of the Global Offering.

Allocation

The International Offering will include selective marketing of the International Offer Shares to institutional and professional investors and other investors anticipated to have a sizeable demand for such International Offer Shares in Hong Kong and other jurisdictions outside the United States in reliance on Regulation S. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities

and corporate entities which regularly invest in shares and other securities. Prospective professional, institutional and other investors will be required to specify the number of International Offer Shares under the International Offering they would be prepared to acquire. This process, known as "book-building", is expected to continue up to, and to cease on or around, the last day for lodging applications under the Hong Kong Public Offering. Allocation of International Offer Shares pursuant to the International Offering will be determined by the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Underwriters) and will be based on a number of factors, including the level and timing of demand, the total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further Offer Shares, and/or hold or sell its Offer Shares, after the listing of the Offer Shares on the Stock Exchange. Such allocation is intended to result in a distribution of the Offer Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of our Company and our Shareholders as a whole.

The Sole Sponsor-Overall Coordinator (for itself and on behalf of the Underwriters) may require any investor who has been offered the International Offer Shares under the International Offering and who has made an application under the Hong Kong Public Offering to provide sufficient information to the Sole Sponsor-Overall Coordinator so as to allow it to identify the relevant application under the Hong Kong Public Offering and to ensure that they are excluded from any application of the International Offering.

PRICING AND ALLOCATION

Pricing for the Offer Shares for the purpose of the various offerings under the Global Offering will be fixed on the Price Determination Date, which is expected to be on or before 12:00 noon on Friday, November 6, 2026, by agreement between the Sole Sponsor-Overall Coordinator and our Company, and the number of Offer Shares to be allocated under the various offerings will be determined shortly thereafter.

The Offer Price will not be more than HK$9.60 per Offer Share and is expected to be not less than HK$8.60 per Offer Share, unless otherwise announced, as further explained below. If you apply for the Offer Shares under the Hong Kong Public Offering, you may be required to pay the maximum Offer Price of HK$9.60 per Offer Share, plus 1.0% brokerage, 0.0027% SFC transaction levy, 0.00015% AFRC transaction levy and 0.00565% Stock Exchange trading fee, amounting to a total of HK$4,848.41 for one board lot of 500 H Shares. **Prospective investors should be aware that the Offer Price to be determined on the Price Determination Date may be, but is not expected to be, lower than the minimum Offer Price stated in this prospectus.**

The International Underwriter will be soliciting from prospective investors indications of interest in acquiring Offer Shares in the International Offering. Prospective professional and institutional investors will be required to specify the number of Offer Shares under the International Offering they would be prepared to acquire at the Offer Price. This process, known as "book-building", is expected to continue up to, and to cease on or around, the last day for lodging applications under the Hong Kong Public Offering.

The Sole Sponsor-Overall Coordinator (for itself and on behalf of the Hong Kong 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 (**www.jssisemi.cn**) (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 notice of a reduction in the number of Offer Shares and/or the Offer Price may not be made until the last day for lodging applications under the Hong Kong Public Offering. In the absence of any such notice so published, the number of Offer Shares will not be reduced and/or the Offer Price, if agreed upon with our Company and the Sole Sponsor-Overall Coordinator (for itself and on behalf of the Hong Kong Underwriters) will under no circumstances be set outside the Offer Price stated in this prospectus. However, if the number of Offer Shares and/or the Offer Price is reduced, the Company will 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.

The final Offer Price, the indication of the level of interest in the International Offering, the basis of allotment of the Offer Shares available under the Hong Kong Public Offering and the results of allocations in the Hong Kong Public Offering are expected to be made available in a variety of channels in the manner described in the section headed "How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of H Share Certificates and Refund of Application Monies" in this prospectus.

UNDERWRITING AGREEMENT

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms of the Hong Kong Underwriting Agreement and is conditional upon the International Underwriting Agreement being signed and becoming unconditional.

We expect to enter into the International Underwriting Agreement relating to the International Offering on or around the Price Determination Date. The underwriting arrangements under the Hong Kong Underwriting Agreement and the International Underwriting Agreement are summarized in the section headed "Underwriting" in this prospectus.

CONDITIONS OF THE GLOBAL OFFERING

Acceptance of all applications for Hong Kong Offer Shares is conditional on, among others: (a) the Listing Committee granting approval for the listing of, and permission to deal in, the H Shares in issue and to be issued (including any H Shares that may be issued pursuant to the exercise of options granted under the Pre-IPO Share Option Scheme) pursuant to the Global Offering on the Main Board of the Stock Exchange and such approval not subsequently having been withdrawn or revoked prior to the Listing Date; (b) the Offer Price having been agreed between the Sole Sponsor-Overall Coordinator and our Company; (c) the execution and delivery of the International Underwriting Agreement on or around the Price Determination Date; and (d) the obligations of the Hong Kong Underwriters and the Capital Market Intermediaries under the Hong Kong Underwriting Agreement and the obligations of the International Underwriters and the Capital Market Intermediaries under the International Underwriting Agreement becoming unconditional and not having been terminated in accordance with the terms of the respective agreements, in each case on or before the dates and times specified in the Hong Kong Underwriting Agreement and/or the International Underwriting Agreement, as the case may be (unless and to the extent such conditions are validly waived on or before such dates and times) and in any event not later than 30 days after the date of this prospectus.

If, for any reason, the Offer Price is not agreed between the Sole Sponsor-Overall Coordinator and our Company on or before 12:00 noon on Friday, November 6, 2026, the Global Offering will not proceed and will lapse. The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon, among other things, the other offering becoming unconditional and not having been terminated in accordance with its terms.

If the above conditions are not fulfilled or waived prior to the times and dates specified, the Global Offering will lapse, and the Stock Exchange will be notified immediately. Notice of the lapse of the Hong Kong Public Offering will be published by our Company on the website of the Stock Exchange (**www.hkexnews.hk**) and on the website of our Company (**www.jssisemi.cn**) on the next day following such lapse. In such a situation, all application monies will be returned, without interest, on the terms set forth in the section headed "How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of H Share Certificates and Refund of Application Monies" in this prospectus. In the meantime, all application monies will be held in separate bank account(s) with the receiving banks or other bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We have applied to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the H Shares in issue and to be issued by us pursuant to the Global Offering.

Except that we have applied for the Listing on the Stock Exchange, no part of our Company's share or loan capital is listed on or dealt in on any other stock exchange and no such listing or permission to deal is being or proposed to be sought in the near future.

H SHARES WILL BE ELIGIBLE FOR CCASS

All necessary arrangements have been made to enable the H Shares to be admitted into CCASS. If the Stock Exchange grants the listing of, and permission to deal in, the H Shares and our Company complies with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the H Shares on the Stock Exchange or any other date HKSCC chooses. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second settlement day after any trading day.

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

DEALING ARRANGEMENTS

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Tuesday, November 10, 2026, it is expected that dealings in our H Shares on the Stock Exchange will commence at 9:00 a.m. on Tuesday, November 10, 2026.

Our H Shares will be traded in board lots of 500 H Shares each and the stock code of the H Shares will be 7672.

IMPORTANT NOTICE TO INVESTORS OF HONG KONG OFFER SHARES
FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering and below are the procedures for application.

This prospectus is available at the website of the Stock Exchange at ***www.hkexnews.hk*** *under the "HKEXnews > New Listings > New Listing Information" section, and our website at* ***www.jssisemi.cn****.*

The contents of this prospectus are identical to the prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

A. APPLICATION FOR HONG KONG OFFER SHARES

1. Who Can Apply

You can apply for Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are 18 years of age or older;
- have a Hong Kong address *(for the* ***White Form eIPO*** *service only)*; and
- are outside the United States, and are not a United States Person (as defined in Regulation S under the U.S. Securities Act).

Unless permitted by the Listing Rules or a waiver and/or consent has been granted by the Stock Exchange to us, you cannot apply for any Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are an existing Shareholder or its/his/her close associates;
- are a Director or any of his/her close associates; or
- are a core connected person (as defined in the Listing Rules) of the Company or will become a core connected person of the Company immediately upon completion of the Global Offering; or
- have been allocated or have applied for any International Offer Shares or otherwise participated in the International Offering.

2. Application Channels

The Hong Kong Public Offering period will begin at 9:00 a.m. on Friday, October 30, 2026 and end at 12:00 noon on Thursday, November 5, 2026 (Hong Kong time).

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

Application Channel	Platform	Target Investors	Application Time
White Form eIPO service . .	**www.eipo.com.hk**	Applicants who would like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in your own name.	From 9:00 a.m. on Friday, October 30, 2026 to 11:30 a.m. on Thursday, November 5, 2026, Hong Kong time. The latest time for completing full payment of application monies will be 12:00 noon on Thursday, November 5, 2026, Hong Kong 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.	Applicants who would not like to receive a physical H Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in the name of HKSCC Nominees, deposited directly into CCASS and credited to your designated HKSCC Participant's stock account.	Contact your broker or custodian for the earliest and latest time for giving such instructions, as this may vary by broker or custodian.

The **White Form eIPO** service and the **HKSCC EIPO** channel are facilities subject to capacity limitations and potential service interruptions and you are advised not to wait until the last day of the application period to apply for Hong Kong Offer Shares.

For those applying through the **White Form eIPO** service, once you complete payment in respect of any application instructions given by you or for your benefit through the **White Form eIPO** service to make an application for Hong Kong Offer Shares, an actual application shall be deemed to have been made. If you are a person for whose benefit the electronic application instructions are given, you shall be deemed to have declared that only one set of electronic application instructions has been given for your benefit. If you are an agent for another person, you shall be deemed to have declared that you have only given one set of electronic application instructions for the benefit of the person for whom you are an agent and that you are duly authorized to give those instructions as an agent.

For the avoidance of doubt, giving an application instruction under the **White Form eIPO** service more than once and obtaining different application reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

If you apply through the **White Form eIPO** service, you are deemed to have authorized the **White Form eIPO** Service Provider to apply on the terms and conditions in this prospectus, as supplemented and amended by the terms and conditions of the **White Form eIPO** service.

By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the **HKSCC EIPO** channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to apply for Hong Kong Offer Shares on your behalf and to do on your behalf all the things stated in this prospectus and any supplement to it.

For those applying through **HKSCC EIPO** channel, an actual application will be deemed to have been made for any application instructions given by you or for your benefit to HKSCC (in which case an application will be made by HKSCC Nominees on your behalf) provided such application instruction has not been withdrawn or otherwise invalidated before the closing time of the Hong Kong Public Offering.

HKSCC Nominees will only be acting as a nominee for you and neither HKSCC nor HKSCC Nominees shall be liable to you or any other person in respect of any actions taken by HKSCC or HKSCC Nominees on your behalf to apply for Hong Kong Offer Shares or for any breach of the terms and conditions of this prospectus.

3. Information Required to Apply

You must provide the following information with your application:

For Individual/Joint Applicants	For Corporate Applicants
• Full name(s)[2] as shown on your identity document	• Full name(s)[2] as shown on your identity document
• Identity document's issuing country or jurisdiction	• Identity document's issuing country or jurisdiction
• Identity document type, with order of priority: i. HKID card; or ii. National identification document; or iii. Passport; and	• Identity document type, with order of priority: i. LEI registration document; or ii. Certificate of incorporation; or iii. Business registration certificate; or iv. Other equivalent document; and
• Identity document number	• Identity document number

Notes:

(1) If you are applying through the **White Form eIPO** service, you are required to provide a valid e-mail address, a contact telephone number and a Hong Kong address. You are also required to declare that the identity information provided by you follows the requirements as described in Note 2 below. In particular, where you cannot provide a HKID number, you must confirm that you do not hold a HKID card. 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.

(5) If you are applying as a nominee, you must provide: (i) the full name (as shown on the identity document), the identity document's issuing country or jurisdiction, the identity document type; and (ii), the identity document number, for each of the beneficial owners or, in the case(s) of joint beneficial owners, for each joint beneficial owner. If you do not include this information, the application will be treated as being made for your benefit.

(6) If you are applying as an unlisted company and (i) the principal business of that company is dealing in securities; and (ii) you exercise statutory control over that company, then the application will be treated as being for your benefit and you should provide the required information in your application as stated above.

"Unlisted company" means a company with no equity securities listed on the Stock Exchange or any other stock exchange.

"Statutory control" means you:

- control the composition of the board of directors of the company;
- control more than half of the voting power of the company; or
- hold more than half of the issued share capital of the company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

For those applying through **HKSCC EIPO** channel, and making an application under a power of attorney, we and the Sole Sponsor-Overall Coordinator, as our agent, have discretion to consider whether to accept it on any conditions we think fit, including evidence of the attorney's authority.

Failing to provide any required information may result in your application being rejected.

4. Permitted Number of Hong Kong Offer Shares for Application

Board lot size	:	500 H Shares
Permitted number of Hong Kong Offer Shares for application and amount payable on application/ successful allotment	:	Hong Kong Offer Shares are available for application in specified board lot sizes only. Please refer to the amount payable associated with each specified board lot size in the table below. The maximum Offer Price is HK$9.60 per H Share. If you are applying through the **HKSCC EIPO** channel, your broker or custodian may require you to pre-fund your application in such amount as determined by the broker or custodian, based on the applicable laws and regulations in Hong Kong. You are responsible for complying with any such pre-funding requirement imposed by your broker or custodian with respect to the Hong Kong Offer Shares you applied for.

By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the **HKSCC EIPO** channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to arrange payment of the Offer Price, brokerage, SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy by debiting the relevant nominee bank account at the Designated Bank for your broker or custodian.

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

No. of Hong Kong Offer Shares applied for	Amount payable[2] on application	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application	No. of Hong Kong Offer Shares applied for	Amount payable[2] on application
	HK$		*HK$*		*HK$*		*HK$*
500	4,848.41	6,000	58,180.90	40,000	387,872.65	400,000	3,878,726.40
1,000	9,696.81	7,000	67,877.71	45,000	436,356.72	500,000	4,848,408.00
1,500	14,545.22	8,000	77,574.53	50,000	484,840.80	1,000,000	9,696,816.00
2,000	19,393.63	9,000	87,271.34	60,000	581,808.95	1,500,000	14,545,224.00
2,500	24,242.05	10,000	96,968.15	70,000	678,777.12	2,000,000	19,393,632.00
3,000	29,090.45	15,000	145,452.25	80,000	775,745.28	2,500,000	24,242,040.00
3,500	33,938.86	20,000	193,936.32	90,000	872,713.45	3,000,000	29,090,448.00
4,000	38,787.27	25,000	242,420.40	100,000	969,681.60	3,500,000	33,938,856.00
4,500	43,635.67	30,000	290,904.48	200,000	1,939,363.20	4,000,000	38,787,264.00
5,000	48,484.08	35,000	339,388.55	300,000	2,909,044.80	5,328,000[1]	51,664,635.65

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

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

5. Multiple Applications Prohibited

You or your joint applicant(s) shall not make more than one application for your own benefit, except where you are a nominee and provide the information of the underlying investor in your application as required under the paragraph headed "— A. 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 **White Form eIPO** service, (ii) **HKSCC EIPO** channel, or (iii) both channels concurrently are prohibited and will be rejected. If you have made an application through the **White Form eIPO** service or **HKSCC EIPO** channel, you or the person(s) for whose benefit you have made the application shall not apply for any International Offer Shares.

6. Terms and Conditions of An Application

By applying for Hong Kong Offer Shares through the **White Form eIPO** service or **HKSCC EIPO** channel, you (or as the case may be, HKSCC Nominees will do the following things on your behalf):

(i) undertake to execute all relevant documents and instruct and authorize us and/or the Sole Sponsor-Overall Coordinator, as our agents, to execute any documents for you and to do on your behalf all things necessary to register any Hong Kong Offer Shares allocated to you in your name or in the name of HKSCC Nominees as required by the Articles of Association, and (if you are applying through the **HKSCC EIPO** channel) to deposit the allotted Hong Kong Offer Shares directly into CCASS for the credit of your designated HKSCC Participant's stock account on your behalf;

(ii) confirm that you have read and understand the terms and conditions and application procedures set out in this prospectus and the designated website of the **White Form eIPO** service (or as the case may be, the agreement you entered into with your broker or custodian), and agree to be bound by them;

(iii) (if you are applying through the **HKSCC EIPO** channel) agree to the arrangements, undertakings and warranties under the participant agreement between your broker or custodian and HKSCC and observe the General Rules of HKSCC and the HKSCC Operational Procedures for giving application instructions to apply for Hong Kong Offer Shares;

(iv) confirm that you are aware of the restrictions on offers and sales of 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 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 "— G. Personal Data — 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 H Shares registered in your name or otherwise held by you;

(xiv) warrant that the information you have provided is true and accurate;

(xv) confirm that you understand that we and the Sole Sponsor-Overall Coordinator will rely on your declarations and representations in deciding whether or not to allocate any Hong Kong Offer Shares to you and that you may be prosecuted for making a false declaration;

(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 **White Form eIPO** service or by any one as your agent or by any other person; and

(xix) (if you are making the application as an agent for the benefit of another person) warrant that (1) no other application has been or will be made by you as agent for or for the benefit of that person or by that person or by any other person as agent for that person by giving electronic application instructions to HKSCC and the **White Form eIPO** 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 **White Form eIPO** service or **HKSCC EIPO** channel:		
Website	From the "Allotment Results" page at **www.iporesults.com.hk** or **www.eipo.com.hk/eIPOAllotment** with a "search by ID" function. The full list of (i) wholly or partially successful applicants using the **White Form eIPO** service and **HKSCC EIPO** channel, and (ii) the number of Hong Kong Offer Shares conditionally allotted to them, among other things, will be displayed at **www.iporesults.com.hk** or **www.eipo.com.hk/eIPOAllotment**.	24 hours, from 11:00 p.m. on Monday, November 9, 2026 to 12:00 midnight on Sunday, November 15, 2026 (Hong Kong time)
	The Stock Exchange's website at **www.hkexnews.hk** and our website at **www.jssisemi.cn** which will provide links to the above mentioned websites of the H Share Registrar.	No later than 11:00 p.m. on Monday, November 9, 2026 (Hong Kong time).
Telephone	+852 2862 8555 – the allocation results telephone enquiry line provided by the H Share Registrar	between 9:00 a.m. and 6:00 p.m., on Tuesday, November 10, 2026 to Friday, November 13, 2026 (Hong Kong time) on a business day

For those applying through **HKSCC EIPO** channel, you may also check with your broker or custodian from 6:00 p.m. on Friday, November 6, 2026 (Hong Kong time).

HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Friday, November 6, 2026 on a 24-hour basis and should report any discrepancies on allotments to HKSCC as soon as practicable.

Allocation Announcement

We expect to announce the final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocations of Hong Kong Offer Shares on the Stock Exchange's website at **www.hkexnews.hk** and our website at **www.jssisemi.cn** by no later than 11:00 p.m. on Monday, November 9, 2026 (Hong Kong time).

C. CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOCATED HONG KONG OFFER SHARES

You should note the following situations in which Hong Kong Offer Shares will not be allocated to you or the person(s) for whose benefit you are applying for:

1. If your application is revoked:

Your application or the application made by HKSCC Nominees on your behalf may be revoked pursuant to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

2. If we or our agents exercise our discretion to reject your application:

We, the Sole Sponsor-Overall Coordinator, the H Share Registrar and their respective agents and nominees have full discretion to reject or accept any application, or to accept only part of any application, without giving any reasons.

3. If the allocation of Hong Kong Offer Shares is void:

The allocation of Hong Kong Offer Shares will be void if the Stock Exchange does not grant permission to list the H Shares either:

- within three weeks from the closing date of the application lists; or
- within a longer period of up to six weeks if the Stock Exchange notifies us of that longer period within three weeks of the closing date of the application lists.

4. If:

- you make multiple applications or suspected multiple applications. You may refer to the paragraph headed "— A. 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 Sole Sponsor-Overall Coordinator believe that by accepting your application, it or we would violate applicable securities or other laws, rules or regulations.

5. If there is money settlement failure for allotted H Shares:

Based on the arrangements between HKSCC Participants and HKSCC, HKSCC Participants will be required to hold sufficient application funds on deposit with their Designated Bank before balloting. After balloting of Hong Kong Offer Shares, the Receiving Bank will collect the portion of these funds required to settle each HKSCC Participant's actual Hong Kong Offer Share allotment from their Designated Bank.

There is a risk of money settlement failure. In the extreme event of money settlement failure by a HKSCC Participant (or its Designated Bank), who is acting on your behalf in settling payment for your allotted H Shares, HKSCC will contact the defaulting HKSCC Participant and its Designated Bank to determine the cause of failure and request such defaulting HKSCC Participant to rectify or procure to rectify the failure.

However, if it is determined that such settlement obligation cannot be met, the affected Hong Kong Offer Shares will be reallocated to the International Offering. Hong Kong Offer Shares applied for by you through the broker or custodian may be affected to the extent of the settlement failure. In the extreme case, you will not be allocated any Hong Kong Offer Shares due to the money settlement failure by such HKSCC Participant. None of us, the Relevant Persons, the H Share Registrar and HKSCC is or will be liable if Hong Kong Offer Shares are not allocated to you due to the money settlement failure.

D. 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 the Listing Date, 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:

Despatch/collection of H Share certificate[1]	White Form eIPO service	HKSCC EIPO channel
For application of 1,000,000 Hong Kong Offer Shares or more	Collection in person at the H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre 183 Queen's Road East, Wan Chai, Hong Kong **Time**: from 9:00 a.m. to 1:00 p.m. on Tuesday, November 10, 2026 (Hong Kong time) If you are an individual, you must not authorize any other person to collect for you. If you are a corporate applicant, your authorized representative must bear a letter of authorization from your corporation stamped with your corporation's chop.	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

Despatch/collection of H Share certificate[1]	White Form eIPO service	HKSCC EIPO channel
	Both individuals and authorized representatives must produce, at the time of collection, evidence of identity acceptable to the H Share Registrar. *Note:* If you do not collect your H Share certificate(s) personally within the time above, it/they will be sent to the address specified in your application instructions by ordinary post at your own risk.	
For application of less than 1,000,000 Hong Kong Offer Shares	Your H Share certificate(s) will be sent to the address specified in your application instructions by ordinary post at your own risk **Date**: Monday, November 9, 2026	
Refund mechanism for surplus application monies paid by you		
Date	Tuesday, November 10, 2026	Subject to the arrangement between you and your broker or custodian
Responsible party . .	H Share Registrar	Your broker or custodian
Application monies paid through single bank account	**White Form** e-Refund payment instructions to your designated bank account	Your broker or custodian will arrange refund to your designated bank account subject to the arrangement between you and it
Application monies paid through multiple bank accounts	Refund cheque(s) will be despatched to the address as specified in your application instructions by ordinary post at your own risk	

1 Except in the event of a tropical cyclone warning signal number 8 or above, a black rainstorm warning and/or an "extreme conditions" announcement issued after a super typhoon in force in Hong Kong in the morning on Monday, November 9, 2026 rendering it impossible for the relevant H Share certificates to be despatched to HKSCC in a timely manner, the Company shall procure the H Share Registrar to arrange for delivery of the supporting documents and H Share certificates in accordance with the contingency arrangements as agreed between them. You may refer to "— E. Bad Weather Arrangements" in this section.

E. BAD WEATHER ARRANGEMENTS

The Opening and Closing of the Application Lists

The application lists will not open or close on Thursday, November 5, 2026 if, there is/are:

- a tropical cyclone warning signal number 8 or above;
- a black rainstorm warning; and/or
- Extreme Conditions,

(collectively, "**Bad Weather Signals**"), in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Thursday, November 5, 2026.

Instead they will open between 11:45 a.m. and 12:00 noon and/or close at 12:00 noon on the next business day which does not have Bad Weather Signals in force at any time between 9:00 a.m. and 12:00 noon.

Prospective investors should be aware that a postponement of the opening/closing of the application lists may result in a delay in the listing date. Should there be any changes to the dates mentioned in the section headed "Expected Timetable" in this prospectus, an announcement will be made and published on the Stock Exchange's website at **www.hkexnews.hk** and our website at **www.jssisemi.cn** of the revised timetable.

If a Bad Weather Signal is hoisted on Monday, November 9, 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, November 10, 2026.

If a Bad Weather Signal is hoisted on Monday, November 9, 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 Bad Weather Signal is lowered or canceled (e.g. in the afternoon of Monday, November 9, 2026 or on Tuesday, November 10, 2026).

If a Bad Weather Signal is hoisted on Tuesday, November 10, 2026, for application of 1,000,000 Hong Kong Offer Shares or more, physical H Share certificate(s) and/or refund cheque (if applicable) will be available for collection in person at the H Share Registrar's office after the Bad Weather Signal is lowered or canceled (e.g. in the afternoon of Tuesday, November 10, 2026 or on Wednesday, November 11, 2026).

Prospective investors should be aware that if they choose to receive physical H Share certificates issued in their own name, there may be a delay in receiving the H Share certificates.

F. ADMISSION OF THE H SHARES INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the H Shares on the Stock Exchange and we comply with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the H Shares or any other date HKSCC chooses. Settlement of transactions between Exchange Participants is required to take place in CCASS on the second settlement day after any trading day.

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

All necessary arrangements have been made enabling the H Shares to be admitted into CCASS.

You should seek the advice of your broker or other professional 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 **White Form** e-Refund payment instruction(s), where applicable, verification of compliance with the terms and application procedures set out in this prospectus and announcing results of allocation of Hong Kong Offer Shares;
- compliance with applicable laws and regulations in Hong Kong and elsewhere;
- registering new issues or transfers into or out of the names of the holders of the H Shares including, where applicable, HKSCC Nominees;
- maintaining or updating the register of members of the Company;

- verifying identities of applicants for and holders of the H Shares and identifying any duplicate applications for the H Shares;
- facilitating Hong Kong Offer Shares balloting;
- establishing benefit entitlements of holders of the H Shares, such as dividends, rights issues, bonus issues, etc.;
- distributing communications from the Company and its subsidiaries;
- compiling statistical information and profiles of the holder of the H Shares;
- disclosing relevant information to facilitate claims on entitlements; and
- any other incidental or associated purposes relating to the above and/or to enable the Company and the H Share Registrar to discharge their obligations to applicants and holders of the H Shares and/or regulators and/or any other purposes to which applicants and holders of the H Shares may from time to time agree.

4. Transfer of Personal Data

Personal data held by the Company and the H Share Registrar relating to the applicants for and holders of Hong Kong Offer Shares will be kept confidential but the Company and the H Share Registrar may, to the extent necessary for achieving any of the above purposes, disclose, obtain or transfer (whether within or outside Hong Kong) the personal data to, from or with any of the following:

- the Company's appointed agents such as financial advisers, receiving bank and overseas principal share registrar;
- HKSCC or HKSCC Nominees, who will use the personal data and may transfer the personal data to the H Share Registrar, in each case for the purposes of providing its services or facilities or performing its functions in accordance with its rules or procedures and operating FINI and CCASS (including where applicants for the Hong Kong Offer Shares request a deposit into CCASS);
- any agents, contractors or third-party service providers who offer administrative, telecommunications, computer, payment or other services to 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 received from the reporting accountants of the Company, Ernst & Young, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus.



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ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF JIANGSU XINDE SEMICONDUCTOR TECHNOLOGY CO., LTD. AND HUATAI FINANCIAL HOLDINGS (HONG KONG) LIMITED

Introduction

We report on the historical financial information of Jiangsu Xinde Semiconductor Technology Co., Ltd. (the "**Company**") and its subsidiaries (together, the "**Group**") set out on pages I-3 to I-78, 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-78 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated 30 October 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 and presentation of the Interim Comparative Financial Information in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Interim Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* 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.

Dividends

We refer to note 11 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Relevant Periods.

Ernst&Young
Certified Public Accountants
Hong Kong
30 October 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	509,077	827,374	1,012,159	306,371	359,672
Cost of sales		(704,700)	(993,932)	(1,194,623)	(369,063)	(423,933)
GROSS LOSS		(195,623)	(166,558)	(182,464)	(62,692)	(64,261)
Other income and gains	5	70,597	101,699	68,326	22,461	23,416
Selling and distribution expenses		(9,007)	(10,302)	(11,887)	(3,962)	(4,242)
Administrative expenses		(53,425)	(62,313)	(117,374)	(43,338)	(28,256)
Research and development expenses		(76,623)	(93,764)	(86,166)	(32,879)	(29,846)
(Provision for impairment)/reversal of impairment of financial assets, net	6	(2,372)	(3,818)	1,605	2,353	(1,705)
Other expenses		(4,954)	(12,800)	(1,458)	(1,713)	(868)
Finance costs	7	(88,502)	(129,355)	(153,670)	(43,867)	(56,144)
Share of profit of a joint venture		1,017	633	–	–	–
LOSS BEFORE TAX	6	(358,892)	(376,578)	(483,088)	(163,637)	(161,906)
Income tax expense	10	–	–	–	–	–
LOSS FOR THE YEAR/PERIOD		(358,892)	(376,578)	(483,088)	(163,637)	(161,906)
Other comprehensive income		–	–	–	–	–
TOTAL COMPREHENSIVE LOSS FOR THE YEAR/PERIOD		(358,892)	(376,578)	(483,088)	(163,637)	(161,906)
Total comprehensive loss attributable to:						
Owners of the parent		(348,795)	(356,118)	(437,165)	(155,648)	(138,044)
Non-controlling interests		(10,097)	(20,460)	(45,923)	(7,989)	(23,862)
		(358,892)	(376,578)	(483,088)	(163,637)	(161,906)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT						
Basic and diluted (RMB)	12	(0.44)	(0.40)	(0.47)	(0.17)	(0.14)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	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*	1,995,339	2,463,704	3,053,797	3,139,281
Right-of-use assets	*14(a)*	85,270	76,200	103,770	100,157
Other intangible assets	*15*	16,386	14,684	16,704	20,261
Investment in a joint venture	*16(a)*	11,412	–	–	–
Other non-current assets	*18*	35,659	48,421	10,662	8,673
Total non-current assets		2,144,066	2,603,009	3,184,933	3,268,372
CURRENT ASSETS					
Inventories	*19*	164,277	176,396	205,453	235,950
Trade and bills receivables	*20*	146,157	168,216	205,885	200,054
Prepayments, other receivables and other assets	*21*	88,428	137,686	139,998	207,338
Debt investments at fair value through other comprehensive income	*22*	1,955	4,001	1,264	4,989
Financial assets at fair value through profit or loss	*23*	85,414	26,183	90,482	35,788
Derivative financial instruments	*24*	9,026	4,276	3,397	2,519
Pledged deposits	*25*	–	11,741	12,000	37,705
Restricted cash	*25*	32,811	7,023	14,587	2,037
Cash and cash equivalents	*25*	163,695	83,166	143,698	113,064
Total current assets		691,763	618,688	816,764	839,444
CURRENT LIABILITIES					
Trade and bills payables	*26*	110,016	151,067	196,455	180,644
Other payables and accruals	*27*	443,216	574,048	763,184	685,813
Interest-bearing bank and other borrowings	*28*	424,889	483,002	707,105	826,359
Lease liabilities	*14(b)*	23,412	11,533	21,004	26,376
Total current liabilities		1,001,533	1,219,650	1,687,748	1,719,192
NET CURRENT LIABILITIES		(309,770)	(600,962)	(870,984)	(879,748)
TOTAL ASSETS LESS CURRENT LIABILITIES		1,834,296	2,002,047	2,313,949	2,388,624
NON-CURRENT LIABILITIES					
Interest-bearing bank and other borrowings	*28*	151,041	131,455	254,711	357,962
Lease liabilities	*14(b)*	39,154	28,113	22,580	17,665
Deferred income	*30*	337,004	333,250	302,542	302,694
Redemption liabilities on equity shares	*29*	2,057,659	2,424,909	2,964,767	3,008,576
Other non-current liabilities	*31*	–	–	1,489	–
Total non-current liabilities		2,584,858	2,917,727	3,546,089	3,686,897
NET LIABILITIES		(750,562)	(915,680)	(1,232,140)	(1,298,273)
EQUITY					
Equity attributable to owners of the parent					
Paid-in capital/Share capital	*32*	857,062	896,335	959,062	959,062
Reserves	*33*	(1,729,067)	(2,136,998)	(2,632,262)	(2,754,533)
		(872,005)	(1,240,663)	(1,673,200)	(1,795,471)
Non-controlling interests	*35*	121,443	324,983	441,060	497,198
TOTAL DEFICITS		(750,562)	(915,680)	(1,232,140)	(1,298,273)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the parent							
	Paid-in capital	**Other reserve***	**Capital reserve***	**Share-based payment reserve***	**Accumulated loss***	**Total**	**Non-controlling interests**	**Total deficits**
	RMB'000 (note 32)	*RMB'000 (note 33)*	*RMB'000 (note 33)*	*RMB'000 (note 34)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023	751,274	(1,292,190)	706,092	15,096	(523,311)	(343,039)	–	(343,039)
Loss for the year	–	–	–	–	(348,795)	(348,795)	(10,097)	(358,892)
Other comprehensive income for the year	–	–	–	–	–	–	–	–
Total comprehensive loss for the year	–	–	–	–	(348,795)	(348,795)	(10,097)	(358,892)
Capital contribution by shareholders	105,788	–	315,687	–	–	421,475	–	421,475
Capital injection by non-controlling shareholders of a subsidiary	–	–	–	–	–	–	124,000	124,000
Equity-settled share-based compensation arrangements	–	–	–	26,080	–	26,080	–	26,080
Recognition of financial assets arising from a call option held by a subsidiary *(note 24)*	–	2,939	–	–	–	2,939	7,540	10,479
Recognition of redemption liabilities on equity shares *(note 29)*	–	(630,665)	–	–	–	(630,665)	–	(630,665)
As at 31 December 2023	857,062	(1,919,916)	1,021,779	41,176	(872,106)	(872,005)	121,443	(750,562)

	Attributable to owners of the parent									
	Share capital	**Paid-in capital**	**Share premium***	**Other reserve***	**Capital reserve***	**Share-based payment reserve***	**Accumulated loss***	**Total**	**Non-controlling interests**	**Total deficits**
	RMB'000 (note 32)	*RMB'000 (note 32)*	*RMB'000 (note 33)*	*RMB'000 (note 33)*	*RMB'000 (note 33)*	*RMB'000 (note 34)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2024	–	857,062	–	(1,919,916)	1,021,779	41,176	(872,106)	(872,005)	121,443	(750,562)
Loss for the year	–	–	–	–	–	–	(356,118)	(356,118)	(20,460)	(376,578)
Other comprehensive income for the year	–	–	–	–	–	–	–	–	–	–
Total comprehensive loss for the year	–	–	–	–	–	–	(356,118)	(356,118)	(20,460)	(376,578)
Capital injection by non-controlling shareholders of a subsidiary	–	–	–	–	–	–	–	–	224,000	224,000
Equity-settled share-based compensation arrangements	–	–	–	–	–	35,682	–	35,682	–	35,682
Conversion of the Company to a joint stock company	857,062	(857,062)	371,461	–	(1,021,779)	(33,864)	684,182	–	–	–
Issue of shares	39,273	–	176,727	–	–	–	–	216,000	–	216,000
Recognition of redemption liabilities on equity shares *(note 29)*	–	–	–	(264,222)	–	–	–	(264,222)	–	(264,222)
As at 31 December 2024	896,335	–	548,188	(2,184,138)	–	42,994	(544,042)	(1,240,663)	324,983	(915,680)

	Attributable to owners of the parent							
	Share capital	Share premium*	Other reserve*	Share-based payment reserve*	Accumulated loss*	Total	Non-controlling interests	Total deficits
	RMB'000 (note 32)	*RMB'000 (note 33)*	*RMB'000 (note 33)*	*RMB'000 (note 34)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2025	896,335	548,188	(2,184,138)	42,994	(544,042)	(1,240,663)	324,983	(915,680)
Loss for the year	–	–	–	–	(437,165)	(437,165)	(45,923)	(483,088)
Other comprehensive income for the year	–	–	–	–	–	–	–	–
Total comprehensive loss for the year	–	–	–	–	(437,165)	(437,165)	(45,923)	(483,088)
Capital injection by non-controlling shareholders of a subsidiary	–	–	–	–	–	–	162,000	162,000
Equity-settled share-based compensation arrangements	–	–	–	74,529	–	74,529	–	74,529
Issue of shares	62,727	282,273	–	–	–	345,000	–	345,000
Recognition of redemption liabilities on equity shares *(note 29)*	–	–	(414,901)	–	–	(414,901)	–	(414,901)
As at 31 December 2025	959,062	830,461	(2,599,039)	117,523	(981,207)	(1,673,200)	441,060	(1,232,140)

	Attributable to owners of the parent							
	Share capital	Share premium	Other reserve	Share-based payment reserve	Accumulated loss	Total	Non-controlling interests	Total deficits
	RMB'000 (note 32)	*RMB'000 (note 33)*	*RMB'000 (note 33)*	*RMB'000 (note 34)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2025	896,335	548,188	(2,184,138)	42,994	(544,042)	(1,240,663)	324,983	(915,680)
Loss for the period (unaudited)	–	–	–	–	(155,648)	(155,648)	(7,989)	(163,637)
Other comprehensive income for the period (unaudited)	–	–	–	–	–	–	–	–
Total comprehensive loss for the period (unaudited)	–	–	–	–	(155,648)	(155,648)	(7,989)	(163,637)
Capital injection by non-controlling shareholders of a subsidiary (unaudited)	–	–	–	–	–	–	130,000	130,000
Equity-settled share-based compensation arrangements (unaudited)	–	–	–	41,058	–	41,058	–	41,058
As at 30 April 2025 (unaudited)	896,335	548,188	(2,184,138)	84,052	(699,690)	(1,355,253)	446,994	(908,259)

	Attributable to owners of the parent							
	Share capital	**Share premium***	**Other reserve***	**Share-based payment reserve***	**Accumulated loss***	**Total**	**Non-controlling interests**	**Total deficits**
	RMB'000 (note 32)	*RMB'000 (note 33)*	*RMB'000 (note 33)*	*RMB'000 (note 34)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2026	959,062	830,461	(2,599,039)	117,523	(981,207)	(1,673,200)	441,060	(1,232,140)
Loss for the period	–	–	–	–	(138,044)	(138,044)	(23,862)	(161,906)
Other comprehensive income for the period	–	–	–	–	–	–	–	–
Total comprehensive loss for the period	–	–	–	–	(138,044)	(138,044)	(23,862)	(161,906)
Capital injection by non-controlling shareholders of a subsidiary	–	–	–	–	–	–	80,000	80,000
Equity-settled share-based compensation arrangements	–	–	–	15,773	–	15,773	–	15,773
As at 30 April 2026	959,062	830,461	(2,599,039)	133,296	(1,119,251)	(1,795,471)	497,198	(1,298,273)

* These reserve accounts comprise the deficiency in equity of RMB1,729,067,000, RMB2,136,998,000, RMB2,632,262,000 and RMB2,754,533,000 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						
Loss before tax		(358,892)	(376,578)	(483,088)	(163,637)	(161,906)
Adjustments for:						
Depreciation of property, plant and equipment	6, 13	186,325	257,896	313,782	95,175	124,809
Depreciation of right-of-use assets	6, 14	10,666	10,058	10,117	3,092	3,613
Amortisation of other intangible assets	6, 15	3,942	4,789	6,217	1,867	2,501
Deferred government grants	30	(50,501)	(94,311)	(60,208)	(22,184)	(18,380)
Fair value (gains)/loss from financial assets at fair value through profit or loss	6	915	4,567	(739)	–	(217)
Fair value losses from derivative financial instruments	6	1,453	4,750	879	283	878
Gains on disposal of items of property, plant and equipment	5	(553)	–	(3,354)	(3,214)	–
Share-based payment expenses	6, 34	26,080	35,682	74,529	41,058	15,773
Finance costs	7	88,502	129,355	153,670	43,867	56,144
Foreign exchange differences, net	6	3,582	8,092	641	753	(1,714)
Provision for impairment/(reversal of impairment) of financial assets, net	6	2,372	3,818	(1,605)	(2,353)	1,705
Write-down/(reversal of write-down) of inventories to net realisable values, net	6	1,860	(2,070)	(3,977)	(9,240)	3,434
Loss on disposal of a joint venture	6	–	924	–	–	–
Share of profit of a joint venture	16	(1,017)	(633)	–	–	–
		(85,266)	(13,661)	6,864	(14,533)	26,640
(Increase)/decrease in restricted cash and pledged bank deposits		(29,168)	14,047	(7,823)	15,489	(13,155)
(Increase)/decrease in inventories		(51,165)	(10,049)	(25,080)	3,783	(33,931)
Decrease/(increase) in prepayments, other receivables and other assets		67,440	60,486	73,671	2,625	(66,906)
(Increase)/decrease in debt investments at fair value through other comprehensive income		(1,469)	(2,046)	2,737	(6,463)	(3,725)
Increase/(decrease) in trade and bills payables		26,804	40,760	45,388	108,014	(15,811)
Increase in trade and bills receivables		(87,232)	(46,770)	(110,520)	(24,211)	(9,598)
(Decrease)/increase in other payables and accruals		(6,220)	2,048	25,223	11,519	(10,196)
Increase in deferred income		95,615	90,557	29,500	14,500	18,532
Cash (used in)/generated from operations		(70,661)	135,372	39,960	110,723	(108,150)
Income tax paid		–	–	–	–	–
Net cash flows (used in)/generated from operating activities		(70,661)	135,372	39,960	110,723	(108,150)

	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 INVESTING ACTIVITIES						
Purchases of items of property, plant and equipment		(723,578)	(711,284)	(708,868)	(172,045)	(268,583)
Purchase of other intangible assets		(11,870)	(1,819)	(9,278)	(5,934)	(1,269)
Addition of prepaid land lease payments		(25,596)	–	(35,109)	–	–
Purchases of financial assets at fair value through profit or loss		(1,174,029)	(617,560)	(569,243)	(93,000)	(95,500)
Proceeds from disposal of property, plant and equipment		3,836	–	10,510	10,370	–
Proceeds from financial assets at fair value through profit or loss		1,265,841	674,922	507,022	119,660	150,689
Loans to directors		(2,600)	–	–	–	–
Receipt of loans to directors		12,556	–	–	–	–
Proceeds from disposal of a joint venture		–	10,000	–	–	–
Dividend received from a joint venture		–	1,121	–	–	–
Net cash flows used in investing activities		(655,440)	(644,620)	(804,966)	(140,949)	(214,663)
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from issuance of shares		421,475	216,000	345,000	–	–
Payments of listing expenses		–	–	(1,826)	–	(2,091)
New interest-bearing bank and other borrowings		486,307	583,617	965,810	165,710	409,020
Repayment of interest-bearing bank and other borrowings		(295,226)	(545,899)	(621,013)	(203,089)	(188,202)
Lease payments	*14*	(14,551)	(26,226)	(500)	–	–
Contribution from non-controlling shareholders		124,000	224,000	162,000	130,000	80,000
Interest paid		(18,103)	(23,200)	(24,291)	(6,568)	(10,191)
Net cash flows from financing activities		703,902	428,292	825,180	86,053	288,536
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(22,199)	(80,956)	60,174	55,827	(34,277)
Cash and cash equivalents at beginning of year/period		185,841	163,695	83,166	83,166	143,698
Effect of foreign exchange rate changes, net		53	427	358	1,139	3,643
Cash and cash equivalents at end of year/period		163,695	83,166	143,698	140,132	113,064
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS						
Cash and bank balances	*25*	196,506	101,930	170,285	143,407	152,806
Less: Restricted cash and pledged deposits	*25*	(32,811)	(18,764)	(26,587)	(3,275)	(39,742)
Cash and cash equivalents as stated in the consolidated statements of cash flows	*25*	163,695	83,166	143,698	140,132	113,064

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*	1,814,279	1,998,624	2,211,903	2,294,363
Right-of-use assets	*14(a)*	60,016	51,458	79,349	75,907
Other intangible assets	*15*	16,386	14,684	14,994	17,421
Investments in a subsidiary and a joint venture	*16*	145,955	146,296	211,256	212,104
Other non-current assets	*18*	9,950	16,094	8,712	7,808
Total non-current assets		2,046,586	2,227,156	2,526,214	2,607,603
CURRENT ASSETS					
Inventories	*19*	164,139	176,295	200,922	230,209
Trade and bills receivables	*20*	146,157	168,216	199,803	187,728
Prepayments, other receivables and other assets	*21*	77,899	147,021	75,157	149,183
Debt investments at fair value through other comprehensive income	*22*	1,955	4,001	1,264	4,989
Financial assets at fair value through profit or loss	*23*	81,380	–	85,941	35,788
Pledged deposits	*25*	–	4,259	12,000	37,705
Restricted cash	*25*	32,811	6,982	2,637	2,037
Cash and cash equivalents	*25*	163,295	79,060	142,270	102,221
Total current assets		667,636	585,834	719,994	749,860
CURRENT LIABILITIES					
Trade and bills payables	*26*	109,934	143,585	177,024	191,906
Other payables and accruals	*27*	437,107	460,774	415,048	387,884
Interest-bearing bank and other borrowings	*28*	424,889	483,002	707,105	811,336
Lease liabilities	*14(b)*	23,412	11,533	21,004	26,376
Total current liabilities		995,342	1,098,894	1,320,181	1,417,502
NET CURRENT LIABILITIES		(327,706)	(513,060)	(600,187)	(667,642)
TOTAL ASSETS LESS CURRENT LIABILITIES		1,718,880	1,714,096	1,926,027	1,939,961
NON-CURRENT LIABILITIES					
Interest-bearing bank and other borrowings	*28*	151,041	131,455	254,711	342,962
Lease liabilities	*14(b)*	39,154	28,113	22,580	17,665
Deferred income	*30*	324,473	320,973	290,519	290,756
Redemption liabilities on equity shares	*29*	2,057,659	2,424,909	2,964,767	3,008,576
Total non-current liabilities		2,572,327	2,905,450	3,532,577	3,659,959
NET LIABILITIES		(853,447)	(1,191,354)	(1,606,550)	(1,719,998)
EQUITY					
Paid-in capital/Share capital	*32*	857,062	896,335	959,062	959,062
Reserves	*33*	(1,710,509)	(2,087,689)	(2,565,612)	(2,679,060)
TOTAL DEFICITS		(853,447)	(1,191,354)	(1,606,550)	(1,719,998)

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

The Company, formerly named as Jiangsu Silicon Integrity Semiconductor Technology Co., Ltd., is a joint stock company with limited liability registered in the People's Republic of China ("**PRC**"). The registered office of the Company is located at No. 8, Linchun Road, Pukou Economic Development Zone, Pukou District, Nanjing City, Jiangsu Province, PRC.

During the Relevant Periods, the Company and its subsidiary (collectively referred to as the "**Group**") principally engaged in offering semiconductor packaging products and testing service to customers, focusing on the development of designs of our packaging, the provision of tailored packaging products, as well as the provision of packaging testing services to our customers.

The statutory financial statements of the Company for the years ended 31 December 2023, 2024 and 2025 prepared in accordance with the PRC Generally Accepted Accounting Principles ("**PRC GAAP**") were audited by BDO China Shu Lun Pan Certified Public Accountants LLP (立信會計師事務所(特殊普通合夥)), a certified public accounting firm registered in the PRC.

As at the date of this report, the Company had direct interest in its subsidiary as follows:

Name	Place and date of incorporation/ registration and place of operations	Registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
揚州芯粒集成電路有限公司 Yangzhou Chiplet Semiconductor Integration Co., Ltd. ("**Yangzhou Chiplet**")	PRC/Chinese mainland 6 February 2023	RMB820,000,000	28.05%	–	Integrated circuit packaging and testing

The statutory financial statements of Yangzhou Chiplet for the years ended 31 December 2023 and 2024 prepared in accordance with PRC GAAP were audited by Yangzhou Lixin Certified Public Accountants Yangzhou Co., Ltd. (揚州立信會計師事務所有限公司), a certified public accounting firm registered in the PRC. No audited financial statements have been prepared for Yangzhou Chiplet for the year ended 31 December 2025.

Although the Company owns less than 50% of the equity interest in Yangzhou Chiplet, the Company entered into a shareholders' agreement regarding voting rights with the other equity owner of Yangzhou Chiplet, Yangzhou Longtou Semiconductor Industry Investment Fund Partnership (Limited Partnership) ("**Yangzhou Longtou**") on 1 February 2023, pursuant to which, Yangzhou Longtou has agreed to entrust the Company to exercise 59.45% of the voting rights at general meetings of Yangzhou Chiplet on its behalf. The directors of the Company (the "**Directors**") are of the opinion that the Company controlled Yangzhou Chiplet during Relevant Periods and the four months ended 30 April 2025. Therefore, the financial statements of Yangzhou Chiplet have been consolidated by the Company for the Relevant Periods and the four months ended 30 April 2025.

2.1 BASIS OF PREPARATION

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (the "**IASB**"). All IFRS Accounting Standards effective for the accounting period commencing from 1 January 2026, together with the relevant transitional provisions, have been consistently adopted by the Group in the preparation of the Historical Financial Information and the Interim Comparative Financial Information.

The Historical Financial Information has been prepared under the historical cost convention, except for financial assets at fair value through profit or loss ("**FVTPL**"), derivative financial instruments and debt investments at fair value through other comprehensive income which have been measured at fair value.

The Historical Financial Information has been prepared under the going concern basis notwithstanding the fact that, as at 30 April 2026, the Group and the Company recorded net current liabilities amounting to RMB879,748,000 and RMB667,642,000, respectively. And the Group had total deficits of RMB1,298,273,000 as at 30 April 2026, primarily due to the significant amount of the redemption liabilities of RMB3,008,576,000 arising from the financing with redemption rights from the investors before its initial public offering. The directors of the Company are of the opinion that no payment is expected for the settlement of the redemption liabilities as the related redemption rights would be terminated and the redemption liabilities would be converted into equity upon the qualified initial public offering of the Company's H shares on the Stock Exchange ("**Listing**").

The directors of the Company have given consideration to the future liquidity and financial resources available to the Group, which mainly include the net cash flows generated from the Group's operating activities and financial facilities, in assessing whether the Group will have sufficient financial resources to continue as a going concern and will not have any going concern issue as a result of the shortage of working capital. the directors of the Company have reviewed the Group's cash flow projection prepared by the management, which covered a period of not less than twelve months from 30 April 2026. In the opinion of the directors of the Company, taking into account (i) the Group's financial resources on hand, and (ii) the anticipated cash flows to be generated from the Group's operations as well as the anticipated proceeds from issue

of shares of the Company, the Group will have sufficient working capital to meet its present obligations as and when they fall due in the coming twelve months from 30 April 2026. Accordingly, the directors of the Company consider it is appropriate to prepare the Historical Financial Information on a going concern basis.

Basis of consolidation

The Historical Financial Information includes the financial information of the Company and its subsidiary for the Relevant Periods and the four months ended 30 April 2025. A subsidiary is an entity, directly 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 statement of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Group has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective, in this Historical Financial Information.

Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[1]
Amendments to IAS 21	*Translation to a Hyperinflationary Presentation Currency*[2]
IFRS 18	*Presentation and Disclosure in Financial Statements*[2]
IFRS 19 and its amendments	*Subsidiaries without Public Accountability: Disclosures*[2]
IFRS 20	*Regulatory Assets and Regulatory Liabilities*[3]
Amendments to IAS 28	*Amendments to the Fair Value Option for Investments in Associate or Joint Venture*[4]

1 No mandatory effective date yet determined but available for adoption

2 Effective for annual/reporting periods beginning on or after 1 January 2027

3 Effective for annual/reporting periods beginning on or after 1 January 2029

4 Effective when an entity first applies IFRS 18

The Group is in the process of making an 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 and no significant impact on the Group's financial performance and financial position. The application of IFRS 18 is not expected to have a material impact on the financial position of the Group but is expected to affect the presentation of the statement of profit or loss and other comprehensive income and statement of cash flows and additional disclosure will be included in the financial statements.

2.3 MATERIAL ACCOUNTING POLICIES

Investments in joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of the post-acquisition results and other comprehensive income of joint ventures is included in profit or loss and other comprehensive income. In addition, when there has been a change recognised directly in the equity of the joint venture, 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 joint ventures are eliminated to the extent of the Group's investments in the joint ventures, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of joint ventures is included as part of the Group's investments in joint ventures.

Upon loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When an investment in a joint venture is classified as held for sale, it is accounted for in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

Fair value measurement

The Group measures certain of its financial assets 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 Historical Financial Information are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the 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.

In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person

  (i) has control or joint control over the Group;

  (ii) has significant influence over the Group; or

  (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

  (i) the entity and the Group are members of the same group;

  (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

  (iii) the entity and the Group are joint ventures of the same third party;

  (iv) one entity is an associate 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 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:

Machinery	9.50%
General electronic equipment	31.67%
Transportation equipment	23.75%
Office equipment	19.00%
Buildings	4.75%
Leasehold improvements	Straight line depreciated over the shorter of lease terms and 10 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at lease 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.

Other intangible assets (other than goodwill)

Other intangible assets acquired separately are measured on initial recognition at cost. The cost of other intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of other intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Software

Software is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 5 years.

Patents and licences

Purchased patents and licences are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 5 years.

Research and development expenses

All research costs are charged to profit or loss as 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 any 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
Leasehold land	50 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment that is considered to be of low value.

Lease payments on short-term leases and leases of low-value assets 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 stand-alone selling price basis. Revenue from operating leases is accounted for on a straight-line basis over the lease terms 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 revenue from operating leases. Contingent rents or variable lease payments 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.

At the commencement date, the cost of the leased asset is capitalised at the present value of the lease payments and related payments (including the initial direct costs), and presented as a receivable at an amount equal to the net investment in the lease. The finance income on the net investment in the lease is recognised in the statement of profit or loss so as to provide a constant periodic rate of return over the lease terms.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, at fair value through other comprehensive income and at 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, 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.

Financial assets at fair value through other comprehensive income (debt instruments)

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 at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in financial position at fair value with net changes in fair value recognised in profit or loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily 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 passthrough arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("**ECLs**") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At 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 more than 30 days past due.

The Group considers a financial asset in default when contractual payments are nine months past due. However, in certain cases, the Group may also consider a financial asset 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 receivables and contract assets which apply the simplified approach as detailed below.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs.

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs.

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs.

Simplified approach

For trade and bills receivables, the Group applies a simplified approach in calculating ECLs. Therefore, 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, loans and borrowings, payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of financial liabilities not at fair value through profit or loss, net of directly attributable transaction costs.

The Group's financial liabilities include trade and bills payables, financial liabilities included in other payables and accruals, interest-bearing bank and other borrowings and other borrowings and redemption liabilities on equity shares.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost (trade and other payables, borrowings and redemption liabilities)

After initial recognition, trade and other payables, borrowings and redemption liabilities 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.

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.

Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as the call option held by a subsidiary. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis 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.

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, form an integral part of the Group's cash management.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of each reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of each reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted 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 or deducted from the carrying amount of the asset and released to profit or loss by way of a reduced depreciation charge.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

(a) Provision of packaging products and testing service

Revenue from the provision of packaging products and testing service is recognised at the point in time when control of the goods and services is transferred to the customer, generally on receipt and acceptance of the goods and services by the customer or upon the confirmation from the customer.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Share-based payments

The Company operates a share incentive plan. 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 fair value is determined by an external valuer, further details of which are given in note 34 to the Historical Financial Information.

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 performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each of the Relevant Periods until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense 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. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

Other employee benefits

Pension schemes

The Group contributes on a monthly basis to various defined contribution retirement benefit plans organised by the relevant municipal and provincial governments in the PRC. The municipal and provincial governments undertake to assume the retirement benefit obligations payable to all existing and future retired employees under these plans and the Group has no further obligation for post-retirement benefits beyond the contributions made. Contributions to these plans 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 each 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.

Foreign currencies

This 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.

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.

Judgement

In the process of applying the Group's accounting policies, management has made the following judgement, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Consolidation of an entity in which the Group holds less than a majority of equity interest

The Company considers that it controls Yangzhou Chiplet even though it owns less than 50% of the equity interest. This is because the Company is able to direct the relevant activities of Yangzhou Chiplet as a result of the shareholders' agreement regarding voting rights between the Company and the other shareholder of Yangzhou Chiplet. Pursuant to the agreement, the Company owned 87.5% of the voting rights of Yangzhou Chiplet. The Directors therefore treated Yangzhou Chiplet as a subsidiary.

Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax losses, 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 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 level of future taxable profits, together with future tax planning strategies.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the future accounting periods, are disclosed below.

Share-based payment expenses

The Group operates employee incentive schemes for the purpose of providing incentives to the Company's directors and the Group's employees. The Group estimates the number of share options contingently issuable when determining the share-based payment expenses, which depends on the achievement of certain non-market performance targets of the Group under the Pre-IPO share option scheme. Management's judgement is required in forecasting the performance to determine whether the vesting conditions are satisfied. If the instruments granted only vest after the respective employees complete a specific period of service or achieve a performance condition, an expense during the vesting period is amortised using the straight-line method based on the best estimate of the exercisable numbers of the instruments and capital reserves are increased by the corresponding amount. The grant date fair value of the shares of the employee incentive scheme and Pre-IPO share option scheme are determined by an external valuer, further details of which are given in note 34 to the Historical Financial Information.

Fair value of a redemption right

The fair value of a redemption right measured at fair value through profit or loss is determined using Black-Scholes model. Such valuation is based on key parameters about risk-free interest rate and volatility, which are subject to uncertainty and might materially differ from the actual results. The fair values of redemption right as at 31 December 2023, 2024 and 2025 and 30 April 2026 were RMB9,026,000, RMB4,276,000, RMB3,397,000 and RMB2,519,000, respectively. Further details are included in note 24 to the Historical Financial Information.

Redemption liabilities on equity shares – Estimating the discount rate

In determining the discount rate, the Group used the risk-free rate based on the yield of liabilities maturing close to the expected exit date with redemption features. A credit spread adjustment was then applied according to the company's credit rating on the valuation date to reflect the market's current assessment of uncertainties regarding the amount and timing of cash flow.

Provision for expected credit losses on financial assets

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.

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).

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each of the Relevant Periods. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value-in-use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows. The calculation uses cash flow projections covering a period of greater than five years but not more than ten years based on financial budgets approved by management. Management adopted a forecast period of longer than five years on the basis that the business is still under significant growth and requires an extended production ramp-up phase exceeding five years to reach steady-state capacity utilisation.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group has one reportable operating segment which is the packaging and testing of integrated circuits. Management monitors the operating results of its business units as a whole for the purpose of making decisions about resource allocation and performance assessment.

Geographical information

(a) Revenue from external customers

	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	489,264	807,167	957,873	302,651	337,002
Overseas	19,813	20,207	54,286	3,720	22,670
Total	509,077	827,374	1,012,159	306,371	359,672

The revenue information above is based on the locations of the customers.

(b) Non-current assets

Since all of the Group's non-current assets were located in the Chinese mainland, no geographical information in accordance with IFRS 8 *Operating Segments* is presented.

Information about major customers

The revenue generated from sales to customers which contributed more than 10% of the Group's total revenue during each of the Relevant Periods and the four months ended 30 April 2025 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*
Customer A	138,775	204,000	248,349	83,310	71,008
Customer B	*	83,241	*	*	*

* The corresponding revenue of the customer is not disclosed as the revenue did not account for 10% or more of the Group's revenue during the respective year/period.

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	509,077	827,374	1,012,159	306,371	359,672

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 goods or services					
Provision of packaging products and testing service	508,351	823,661	1,008,549	305,673	358,353
Others	726	3,713	3,610	698	1,319
Total	509,077	827,374	1,012,159	306,371	359,672
Timing of revenue recognition					
Recognised at a point in time	509,077	827,374	1,012,159	306,371	359,672

The following table shows the amounts of revenue recognised in the Relevant Periods and the four months ended 30 April 2025 that were included in the contract liabilities at the beginning of 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*
Revenue from contracts with customers	23,924	14,416	4,297	1,548	2,148

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Provision of packaging products and testing service

The performance obligation of the packaging products and testing service is recognised at the point in time when control of the goods and services is transferred to the customer, generally on receipt and acceptance of the goods and services by the customer or upon the confirmation from customer, and payment is generally due within one to two months from the date of billing.

The Group has elected the practical expedient as described in IFRS 15.121(b) to not disclose the remaining performance obligations for this type of contract.

Other income and gains

	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*
Government grants*	60,736	97,040	61,881	18,797	21,177
Investment income	4,998	2,531	1,339	294	278
Gain on disposal of items of property, plant and equipment	553	–	3,354	3,214	–

	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 Income	3,452	1,432	1,011	156	245
Foreign exchange gains, net	–	–	–	–	1,714
Others	858	696	741	–	2
Total other income and gains, net	70,597	101,699	68,326	22,461	23,416

* The government grants have been received from local government authorities to support the Group's capital and operating expenditure. During the years ended 31 December 2023, 2024 and 2025 and the four months ended 30 April 2025 and 2026, government grants amounting to RMB50,501,000, RMB94,311,000, RMB60,208,000, RMB22,184,000 and RMB18,380,000, respectively, were released from deferred income (note 30).

6. LOSS BEFORE TAX

The Group's loss 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 services and products		704,700	993,932	1,194,623	369,063	423,933
Depreciation of items of property, plant and equipment*	*13*	186,325	257,896	313,782	95,175	124,809
Depreciation of right-of-use assets*	*14*	10,666	10,058	10,117	3,092	3,613
Expenses relating to short-term and low-value leases	*14*	8,501	15,108	15,034	4,837	8,339
Amortisation of intangible assets*	*15*	3,942	4,789	6,217	1,867	2,501
Provision for impairment/(reversal of impairment) of trade receivables	*20*	2,421	3,808	(1,582)	(2,331)	1,704
(Reversal of impairment)/provision for impairment of financial assets included in prepayments, other receivables and other assets		(49)	10	(23)	(22)	1
Fair value losses/(gains) from financial assets at fair value through profit or loss		915	4,567	(739)	–	(217)
Fair value loss from derivative financial instruments		1,453	4,750	879	283	878
Write-down/(reversal of write-down) of inventories to net realisable values, net**		1,860	(2,070)	(3,977)	(9,240)	3,434
Foreign exchange differences, net***		3,582	8,092	641	753	(1,714)
Loss on disposal of a joint venture		–	924	–	–	–
Auditor's remuneration		229	1,502	509	20	25
Listing expenses		–	–	9,695	–	1,302
Employee benefit expenses (including directors' and chief executive's remuneration)*:						
Wages, salaries and other benefits		214,593	292,492	302,694	99,630	108,177
Pension scheme contributions		29,631	38,996	44,350	13,087	13,990
Share-based payments	*34*	26,080	35,682	74,529	41,058	15,773

* Cost of services and products include expenses relating to depreciation of property, plant and equipment and right-of-use assets, amortisation of intangible assets and employee benefit expenses, which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

** The write-down/(reversal of write-down) of inventories to net realisable value is included in "Cost of sales" in profit or loss.

*** The foreign exchange losses are included in "Other expenses" and the foreign exchange gains are included in "Other income and gains".

7. FINANCE COSTS

An analysis of finance costs 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*
Interest on bank and other borrowings	19,184	24,009	26,539	7,815	11,768
Interest on lease liabilities	2,819	2,318	1,860	613	457
Interest on redemption liabilities	66,499	103,028	124,957	35,439	43,809
Others	–	–	314	–	110
Total	88,502	129,355	153,670	43,867	56,144

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the Relevant Periods and the four months ended 30 April 2025 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*
Fees	–	–	–	–	–
Other emoluments:					
Salaries, allowances and benefits in kind	5,438	4,525	5,611	1,860	1,852
Performance-related bonuses	100	100	–	–	–
Share-based payment expenses	10,833	8,689	31,010	19,983	2,133
Pension scheme contributions and social welfare	416	410	410	137	137
Total	16,787	13,724	37,031	21,980	4,122

During the Relevant Periods and the four months ended 30 April 2025, certain directors were granted restricted shares, in respect of their services to the Group. Details of the restricted shares scheme of the Group are set out in note 34 to the Historical Financial Information. The fair value of such restricted shares, which has been recognised in profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the Relevant Periods and the four months ended 30 April 2025 is included in the above directors' and chief executive's remuneration disclosures.

The remuneration of the directors of the Company is set out below:

Year ended 31 December 2023

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions and social welfare	Share-based payment expenses	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors:					
Mr. Zhang Guodong	1,820	25	102	–	1,947
Mr. Pan Mingdong	1,046	25	102	349	1,522
Mr. Long Xinjiang	1,139	25	102	1,266	2,532
Mr. Liu Yi	1,433	25	110	9,218	10,786
Non-executive directors:					
Mr. Kong Xiaoming	–	–	–	–	–
Ms. Wang Chuxuan	–	–	–	–	–
Ms. Yu Xiaolin	–	–	–	–	–
Total	5,438	100	416	10,833	16,787

Year ended 31 December 2024

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions and social welfare	Share-based payment expenses	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors:					
Mr. Zhang Guodong	1,502	25	102	–	1,629
Mr. Pan Mingdong	822	25	102	967	1,916
Mr. Long Xinjiang	965	25	102	3,510	4,602
Mr. Liu Yi	1,236	25	104	4,212	5,577
Non-executive directors:					
Ms. Wang Chuxuan	–	–	–	–	–
Ms. Yu Xiaolin	–	–	–	–	–
Total	4,525	100	410	8,689	13,724

Year ended 31 December 2025

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions and social welfare	Share-based payment expenses	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors:					
Mr. Zhang Guodong	1,801	–	102	13,365	15,268
Mr. Pan Mingdong	1,030	–	102	5,974	7,106
Mr. Long Xinjiang	1,281	–	102	5,551	6,934
Mr. Liu Yi	1,499	–	104	6,120	7,723
Non-executive directors:					
Ms. Wang Chuxuan	–	–	–	–	–
Ms. Yu Xiaolin	–	–	–	–	–
Total	5,611	–	410	31,010	37,031

Four months ended 30 April 2025 (unaudited)

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions and social welfare	Share-based payment expenses	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors:					
Mr. Zhang Guodong	601	–	34	13,365	14,000
Mr. Pan Mingdong	348	–	34	2,658	3,040
Mr. Long Xinjiang	430	–	34	2,848	3,312
Mr. Liu Yi	481	–	35	1,112	1,628
Non-executive directors:					
Ms. Wang Chuxuan	–	–	–	–	–
Ms. Yu Xiaolin	–	–	–	–	–
Total	1,860	–	137	19,983	21,980

Four months ended 30 April 2026

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions and social welfare	Share-based payment expenses	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors:					
Mr. Zhang Guodong	600	–	34	–	634
Mr. Pan Mingdong	340	–	34	45	419
Mr. Long Xinjiang	425	–	34	1,324	1,783
Mr. Liu Yi	487	–	35	764	1,286
Non-executive directors:					
Ms. Wang Chuxuan	–	–	–	–	–
Ms. Yu Xiaolin	–	–	–	–	–
Total	1,852	–	137	2,133	4,122

There was no arrangement under which a director waived or agreed to waive any remuneration at the end of each of the Relevant Periods and 30 April 2025.

In December 2023, Mr. Kong Xiaoming resigned from his position as a non-executive director and Ms. Wang Chuxuan was appointed as a non-executive director.

There were no fees and other emoluments payable to the independent non-executive directors during the Relevant Periods and the four months ended 30 April 2025.

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the years ended 31 December 2023, 2024 and 2025 and the four months ended 30 April 2025 and 2026 included three, two, four, three and two directors, respectively, details of whose remuneration are set out in note 8 above. Details of the remuneration of the remaining two, three, one, two and three highest paid employees who are neither a director nor chief executive of the Company for the years ended 31 December 2023, 2024 and 2025 and the four months ended 30 April 2025 and 2026, respectively, 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	1,894	2,899	1,014	794	1,070
Performance-related bonuses	50	75	–	–	–
Share-based payment expenses	2,202	4,715	3,662	3,190	4,938
Pension scheme contributions and social welfare	202	311	102	71	104
Total	4,348	8,000	4,778	4,055	6,112

The numbers of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands are as follows:

	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
				(unaudited)	
Nil to HK$2,000,000	–	–	–	–	1
HK$2,000,001 to HK$2,500,000	2	1	–	2	1
HK$2,500,001 to HK$3,000,000	–	1	–	–	–
HK$3,000,001 to HK$3,500,000	–	–	–	–	1
HK$3,500,001 to HK$4,000,000	–	1	–	–	–
HK$4,000,001 to HK$4,500,000	–	–	–	–	–
HK$4,500,001 to HK$5,000,000	–	–	–	–	–
HK$5,000,001 to HK$5,500,000	–	–	1	–	–
Total	2	3	1	2	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.

Pursuant to the Corporate Income Tax Law of the PRC and the respective regulations (the "**CIT Law**"), the Company which operates in the Chinese mainland is subject to CIT at a rate of 25% on the taxable income.

The Company was identified as a "High and New Technology Enterprise" on 13 December 2023, and was entitled to preferential income tax of 15% from 1 January 2023 to 31 December 2025.

The Company has submitted an application for its qualification as a High and New Technology Enterprise in July 2026 and expected to obtain such qualification. Therefore, the directors of the Company are of the opinion that the preferential tax rate of 15% shall be entitled during the four months ended 30 April 2026.

The Group had no taxable income during the Relevant Periods and the four months ended 30 April 2025.

A reconciliation of income tax expense applicable to loss before tax at the applicable tax rate for the jurisdiction in which the Company and its subsidiary are domiciled and/or operate to the income tax expense at the effective income tax rate for each of the Relevant Periods and the four months ended 30 April 2025 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*
Loss before tax	(358,892)	(376,578)	(483,088)	(163,637)	(161,906)
Tax at the applicable tax rate	(53,834)	(56,487)	(72,463)	(24,546)	(24,286)
Effect of different tax rate of the subsidiary	(1,343)	(2,719)	(6,184)	(1,087)	(3,304)
Expenses not deductible for tax	14,231	21,195	30,458	11,732	8,463
Additional deduction allowance for research and development costs	(13,289)	(14,028)	(9,280)	(3,242)	(4,022)
Tax losses not recognised and deductible temporary differences not recognised	54,235	52,039	57,469	17,143	23,149
Total tax charge for the year/period	–	–	–	–	–

The Group had accumulated tax losses arising in the Chinese mainland of RMB623,530,000, RMB930,198,000, RMB1,284,531,000 and RMB1,396,138,000 as at 31 December 2023, 2024, 2025 and 30 April 2026, respectively, that would expire in six to ten years for offsetting against future taxable profits.

The deferred tax assets and the deferred tax liabilities of a subsidiary operated in the Chinese mainland have been offset in the consolidated statement of financial position for presentation purposes. Except the deferred tax assets that have been offset, the Group had deductible temporary differences for which deferred tax assets are not recognised of RMB262,441,000, RMB274,672,000, RMB265,565,000 and RMB284,520,000 as at 31 December 2023, 2024, 2025 and 30 April 2026, respectively.

Deferred tax assets have not been recognised in respect of these losses and deductible temporary differences as the Company and its subsidiary have been loss-making for some time and it is not considered probable that taxable profits in foreseeable future will be available against which the tax losses can be utilised.

The deferred tax assets and the deferred tax liabilities of the subsidiary have been offset in the statements of financial position for presentation purposes.

11. DIVIDENDS

No dividends were paid or declared by the Company during the Relevant Periods and the four months ended 30 April 2025.

12. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the loss for the year/period attributable to ordinary equity holders of the parent, and the weighted average numbers of ordinary shares used in the calculation are the number of ordinary shares outstanding during the Relevant Periods and the four months ended 30 April 2025.

As described in note 32(d), the Company was converted into a joint stock company with limited liability. The Company's paid-in capital of RMB857,062,000 was converted into 857,062,000 shares of RMB1.00 each accordingly. For the purpose of computing basic and diluted earnings per share, the weighted average numbers of ordinary shares deemed to be outstanding before the Company's conversion into a joint stock company were determined assuming the conversion had occurred since 1 January 2023, at the exchange ratio established in the conversion in June 2024.

No adjustment has been made to the basic loss per share amounts presented for the Relevant Periods and the four months ended 30 April 2025 in respect of dilution as the impact of redemption rights, redemption liabilities on equity and employee incentive schemes had an anti-dilutive effect on the basic loss per share amounts presented. The Company had no potentially dilutive ordinary shares outstanding during the Relevant Periods and the four months ended 30 April 2025.

The calculations of basic and diluted earnings per share amounts is based on:

	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*
Loss					
Loss attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	(348,795)	(356,118)	(437,165)	(155,648)	(138,044)

	Number of shares				
	Year ended 31 December			Four months ended 30 April	
	2023	2024	2025	2025	2026
				(unaudited)	
Shares					
Weighted average number of ordinary shares outstanding during the year/period, used in the basic earnings per share calculation ('000)	784,409	890,755	927,189	896,335	959,062

13. PROPERTY, PLANT AND EQUIPMENT

The Group

	Machinery	General electronic equipment	Transportation equipment	Office equipment	Construction in progress	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2023							
At 1 January 2023:							
Cost	1,182,957	36,695	457	2,228	122,338	300,634	1,645,309
Accumulated depreciation	(106,390)	(10,927)	(192)	(572)	–	(39,671)	(157,752)
Net carrying amount	1,076,567	25,768	265	1,656	122,338	260,963	1,487,557
At 1 January 2023, net of accumulated depreciation	1,076,567	25,768	265	1,656	122,338	260,963	1,487,557
Additions	21,571	19,992	–	30	645,472	10,325	697,390
Transfers	654,468	–	–	–	(654,468)	–	–
Depreciation provided during the year	(138,033)	(14,926)	(109)	(423)	–	(32,834)	(186,325)
Disposals	(3,283)	–	–	–	–	–	(3,283)
At 31 December 2023, net of accumulated depreciation	1,611,290	30,834	156	1,263	113,342	238,454	1,995,339
At 31 December 2023:							
Cost	1,854,450	56,687	457	2,258	113,342	310,959	2,338,153
Accumulated depreciation	(243,160)	(25,853)	(301)	(995)	–	(72,505)	(342,814)
Net carrying amount	1,611,290	30,834	156	1,263	113,342	238,454	1,995,339

	Machinery	General electronic equipment	Transportation equipment	Office equipment	Construction in progress	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2024							
At 1 January 2024:							
Cost	1,854,450	56,687	457	2,258	113,342	310,959	2,338,153
Accumulated depreciation	(243,160)	(25,853)	(301)	(995)	–	(72,505)	(342,814)
Net carrying amount	1,611,290	30,834	156	1,263	113,342	238,454	1,995,339
At 1 January 2024, net of accumulated depreciation	1,611,290	30,834	156	1,263	113,342	238,454	1,995,339
Additions	5,737	21,619	–	3	693,596	5,306	726,261
Transfers	544,671	74	–	–	(544,745)	–	–
Depreciation provided during the year	(204,299)	(20,241)	(103)	(429)	–	(32,824)	(257,896)
At 31 December 2024, net of accumulated depreciation	1,957,399	32,286	53	837	262,193	210,936	2,463,704
At 31 December 2024:							
Cost	2,404,858	78,380	457	2,261	262,193	316,265	3,064,414
Accumulated depreciation	(447,459)	(46,094)	(404)	(1,424)	–	(105,329)	(600,710)
Net carrying amount	1,957,399	32,286	53	837	262,193	210,936	2,463,704

	Machinery	General electronic equipment	Transportation equipment	Office equipment	Buildings	Construction in progress	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2025								
At 1 January 2025:								
Cost	2,404,858	78,380	457	2,261	–	262,193	316,265	3,064,414
Accumulated depreciation	(447,459)	(46,094)	(404)	(1,424)	–	–	(105,329)	(600,710)
Net carrying amount	1,957,399	32,286	53	837	–	262,193	210,936	2,463,704
At 1 January 2025, net of accumulated depreciation	1,957,399	32,286	53	837	–	262,193	210,936	2,463,704
Additions	9,630	24,972	–	–	–	876,429	–	911,031
Transfers	564,203	2,050	521	69	438,208	(1,041,156)	36,105	–
Disposals	(966)	–	–	–	–	–	(6,190)	(7,156)
Depreciation provided during the year	(249,084)	(20,370)	(103)	(434)	(8,498)	–	(35,293)	(313,782)
At 31 December 2025, net of accumulated depreciation	2,281,182	38,938	471	472	429,710	97,466	205,558	3,053,797
At 31 December 2025:								
Cost	2,977,725	105,402	978	2,330	438,208	97,466	346,180	3,968,289
Accumulated depreciation	(696,543)	(66,464)	(507)	(1,858)	(8,498)	–	(140,622)	(914,492)
Net carrying amount	2,281,182	38,938	471	472	429,710	97,466	205,558	3,053,797

	Machinery	General electronic equipment	Transportation equipment	Office equipment	Buildings	Construction in progress	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
30 April 2026								
At 1 January 2026:								
Cost	2,977,725	105,402	978	2,330	438,208	97,466	346,180	3,968,289
Accumulated depreciation	(696,543)	(66,464)	(507)	(1,858)	(8,498)	–	(140,622)	(914,492)
Net carrying amount	2,281,182	38,938	471	472	429,710	97,466	205,558	3,053,797
At 1 January 2026, net of accumulated depreciation	2,281,182	38,938	471	472	429,710	97,466	205,558	3,053,797
Additions	8,832	8,768	–	–	–	190,019	2,674	210,293

	Machinery	General electronic equipment	Transportation equipment	Office equipment	Buildings	Construction in progress	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Transfers	152,029	558	–	1,291	–	(161,647)	7,769	–
Depreciation provided during the period	(95,942)	(7,788)	(41)	(311)	(6,920)	–	(13,807)	(124,809)
At 30 April 2026, net of accumulated depreciation	2,346,101	40,476	430	1,452	422,790	125,838	202,194	3,139,281
At 30 April 2026:								
Cost	3,138,586	114,728	978	3,621	438,208	125,838	356,623	4,178,582
Accumulated depreciation	(792,485)	(74,252)	(548)	(2,169)	(15,418)	–	(154,429)	(1,039,301)
Net carrying amount	2,346,101	40,476	430	1,452	422,790	125,838	202,194	3,139,281

As at 31 December 2023, 2024 and 2025 and 30 April 2026, certain of the Group's property, plant and equipment with aggregate carrying amounts of approximately RMB206,914,000, RMB181,336,000, RMB457,848,000 and RMB436,721,000 respectively, have been pledged to secure interest-bearing bank borrowings granted to the Group (note 28).

As at 31 December 2023, 2024 and 2025 and 30 April 2026, certain of the Group's machinery equipment with aggregate net carrying amounts of approximately RMB254,119,000, RMB369,765,000, RMB319,886,000 and RMB354,109,000 respectively, was subject to the sale and leaseback arrangements (note 28).

The Company

	Machinery	General electronic Equipment	Transportation equipment	Office equipment	Construction in progress	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2023							
At 1 January 2023							
Cost	1,182,957	36,695	457	2,228	122,338	300,634	1,645,309
Accumulated depreciation	(106,390)	(10,927)	(192)	(572)	–	(39,671)	(157,752)
Net carrying amount	1,076,567	25,768	265	1,656	122,338	260,963	1,487,557
Cost at 1 January 2023, net of accumulated depreciation	1,076,567	25,768	265	1,656	122,338	260,963	1,487,557
Additions	5,939	24,314	–	30	586,897	10,325	627,505
Transfers	654,468	–	–	–	(654,468)	–	–
Depreciation provided during the year	(131,851)	(14,923)	(109)	(423)	–	(32,834)	(180,140)
Disposals	(116,281)	(4,362)	–	–	–	–	(120,643)
At 31 December 2023, net of accumulated depreciation	1,488,842	30,797	156	1,263	54,767	238,454	1,814,279
At 31 December 2023							
Cost	1,718,475	56,463	457	2,258	54,767	310,959	2,143,379
Accumulated depreciation	(229,633)	(25,666)	(301)	(995)	–	(72,505)	(329,100)
Net carrying amount	1,488,842	30,797	156	1,263	54,767	238,454	1,814,279

	Machinery	General electronic Equipment	Transportation equipment	Office equipment	Construction in progress	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2024							
At 1 January 2024							
Cost	1,718,475	56,463	457	2,258	54,767	310,959	2,143,379
Accumulated depreciation	(229,633)	(25,666)	(301)	(995)	–	(72,505)	(329,100)
Net carrying amount	1,488,842	30,797	156	1,263	54,767	238,454	1,814,279

	Machinery	General electronic Equipment	Transportation equipment	Office equipment	Construction in progress	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Cost at 1 January 2024, net of accumulated depreciation	1,488,842	30,797	156	1,263	54,767	238,454	1,814,279
Additions	5,736	21,619	–	3	490,126	5,306	522,790
Transfers	520,661	–	–	–	(520,661)	–	–
Depreciation provide during the year	(184,572)	(20,201)	(103)	(429)	–	(32,824)	(238,129)
Disposals	(100,316)	–	–	–	–	–	(100,316)
At 31 December 2024, net of accumulated depreciation	1,730,351	32,215	53	837	24,232	210,936	1,998,624
At 31 December 2024							
Cost	2,123,564	78,082	457	2,261	24,232	316,265	2,544,861
Accumulated depreciation	(393,213)	(45,867)	(404)	(1,424)	–	(105,329)	(546,237)
Net carrying amount	1,730,351	32,215	53	837	24,232	210,936	1,998,624

	Machinery	General electronic Equipment	Transportation equipment	Office equipment	Construction in progress	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
31 December 2025							
At 1 January 2025							
Cost	2,123,564	78,082	457	2,261	24,232	316,265	2,544,861
Accumulated depreciation	(393,213)	(45,867)	(404)	(1,424)	–	(105,329)	(546,237)
Net carrying amount	1,730,351	32,215	53	837	24,232	210,936	1,998,624
Cost at 1 January 2025, net of accumulated depreciation	1,730,351	32,215	53	837	24,232	210,936	1,998,624
Additions	9,630	24,972	–	–	457,129	–	491,731
Transfers	369,124	936	–	29	(402,506)	32,417	–
Disposals	(966)	–	–	–	–	(6,190)	(7,156)
Depreciation provide during the year	(215,316)	(20,278)	(31)	(432)	–	(35,239)	(271,296)
At 31 December 2025, net of accumulated depreciation	1,892,823	37,845	22	434	78,855	201,924	2,211,903
At 31 December 2025							
Cost	2,501,352	103,990	457	2,290	78,855	342,492	3,029,436
Accumulated depreciation	(608,529)	(66,145)	(435)	(1,856)	–	(140,568)	(817,533)
Net carrying amount	1,892,823	37,845	22	434	78,855	201,924	2,211,903

	Machinery	General electronic Equipment	Transportation equipment	Office equipment	Construction in progress	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
30 April 2026							
At 1 January 2026							
Cost	2,501,352	103,990	457	2,290	78,855	342,492	3,029,436
Accumulated depreciation	(608,529)	(66,145)	(435)	(1,856)	–	(140,568)	(817,533)
Net carrying amount	1,892,823	37,845	22	434	78,855	201,924	2,211,903
Cost at 1 January 2026, net of accumulated depreciation	1,892,823	37,845	22	434	78,855	201,924	2,211,903
Additions	8,832	8,768	–	–	166,981	–	184,581

	Machinery	General electronic Equipment	Transportation equipment	Office equipment	Construction in progress	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Transfers	143,639	418	–	–	(146,450)	2,393	–
Depreciation provide during the period	(80,834)	(7,650)	–	(145)	–	(13,492)	(102,121)
At 30 April 2026, net of accumulated depreciation	1,964,460	39,381	22	289	99,386	190,825	2,294,363
At 30 April 2026							
Cost	2,653,823	113,176	457	2,290	99,386	344,885	3,214,017
Accumulated depreciation	(689,363)	(73,795)	(435)	(2,001)	–	(154,060)	(919,654)
Net carrying amount	1,964,460	39,381	22	289	99,386	190,825	2,294,363

14. LEASES

The Group as a lessee

The Group has lease contracts for leasehold land and buildings used in its operations. Lump sum payments were made upfront to lease the leasehold land with lease periods of 50 years. No ongoing payments will be made under the terms of the leases for the land use right.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the Relevant Periods are as follows:

The Group

	Buildings	Leasehold land	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 1 January 2023	69,698	–	69,698
Additions	642	25,596	26,238
Depreciation charge	(10,324)	(342)	(10,666)
As at 31 December 2023 and 1 January 2024	60,016	25,254	85,270
Additions	988	–	988
Depreciation charge	(9,546)	(512)	(10,058)
As at 31 December 2024 and 1 January 2025	51,458	24,742	76,200
Additions	2,578	35,109	37,687
Depreciation charge	(9,197)	(920)	(10,117)
As at 31 December 2025 and 1 January 2026	44,839	58,931	103,770
Depreciation charge	(3,208)	(405)	(3,613)
As at 30 April 2026	41,631	58,526	100,157

The Company

	Buildings	Leasehold land	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 1 January 2023	69,698	–	69,698
Additions	642	–	642
Depreciation charge	(10,324)	–	(10,324)
As at 31 December 2023 and 1 January 2024	60,016	–	60,016
Additions	988	–	988
Depreciation charge	(9,546)	–	(9,546)
As at 31 December 2024 and 1 January 2025	51,458	–	51,458
Additions	2,578	34,917	37,495
Depreciation charge	(9,197)	(407)	(9,604)
As at 31 December 2025 and 1 January 2026	44,839	34,510	79,349
Depreciation charge	(3,208)	(234)	(3,442)
As at 30 April 2026	41,631	34,276	75,907

(b) Lease liabilities

The carrying amounts of the Group's lease liabilities and the movements during the Relevant Periods are as follows:

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*
Carrying amount at beginning of the year/period	73,656	62,566	39,646	43,584
New leases	642	988	2,578	–
Accretion of interest recognised during the year/period	2,819	2,318	1,860	457
Payments	(14,551)	(26,226)	(500)	–
Carrying amount at end of the year/period	62,566	39,646	43,584	44,041
Analysed into:				
Current portion	23,412	11,533	21,004	26,376
Non-current portion	39,154	28,113	22,580	17,665

(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	2,819	2,318	1,860	613	457
Depreciation charge of right-of-use assets	10,666	10,058	10,117	3,092	3,613
Expenses relating to short-term and low-value leases	8,501	15,108	15,034	4,837	8,339
Total amount recognised in profit or loss	21,986	27,484	27,011	8,542	12,409

The total cash outflows for leases are disclosed in notes 36(c) to the Historical Financial Information.

(d) Sale and leaseback transactions

To better manage the Group's capital structure and financing needs, the Group sometimes entered into sale and leaseback arrangements in relation to leases of machinery. The transfers of machinery do not satisfy the requirements of IFRS 15 to be accounted for as sales of machinery. The Group accounted for these sale and leaseback transactions as financing transactions and the amounts received as other borrowings in accordance with IFRS 9. During the years ended 31 December 2023, 2024 and 2025 and the four months ended 30 April 2025 and 2026, the Group raised borrowings of RMB50,000,000, RMB155,000,000, RMB133,700,000, nil and RMB80,000,000, and repaid borrowings and interests of RMB77,286,000, RMB117,973,000, RMB147,721,000, RMB53,506,000 and RMB47,661,000, respectively, in respect of such sale and leaseback arrangements.

The Group as a lessor

The Group leased certain equipment under a finance lease arrangement. The term of the lease contract is 20 years. Lump sum payment was received up front, and no ongoing lease payment will be received under the terms of the lease contract.

15. OTHER INTANGIBLE ASSETS

The Group

	Software	Patents and licences	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 31 December 2023			
At 1 January 2023:			
Cost	9,834	566	10,400
Accumulated amortisation	(1,553)	(57)	(1,610)
Net carrying amount	8,281	509	8,790
At 1 January 2023, net of accumulated amortisation	8,281	509	8,790
Additions	11,538	–	11,538
Amortisation provided during the year	(3,829)	(113)	(3,942)
As at 31 December 2023	15,990	396	16,386
At 31 December 2023:			
Cost	21,371	566	21,937
Accumulated amortisation	(5,381)	(170)	(5,551)
Net carrying amount	15,990	396	16,386
As at 31 December 2024			
At 1 January 2024:			
Cost	21,371	566	21,937
Accumulated amortisation	(5,381)	(170)	(5,551)
Net carrying amount	15,990	396	16,386
At 1 January 2024, net of accumulated amortisation	15,990	396	16,386
Additions	3,087	–	3,087
Amortisation provided during the year	(4,676)	(113)	(4,789)
As at 31 December 2024	14,401	283	14,684
At 31 December 2024:			
Cost	24,459	566	25,025
Accumulated amortisation	(10,058)	(283)	(10,341)
Net carrying amount	14,401	283	14,684

	Software	Patents and licences	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 31 December 2025			
At 1 January 2025:			
Cost	24,459	566	25,025
Accumulated amortisation	(10,058)	(283)	(10,341)
Net carrying amount	14,401	283	14,684
At 1 January 2025, net of accumulated amortisation	14,401	283	14,684
Additions	7,607	630	8,237
Amortisation provided during the year	(6,030)	(187)	(6,217)
As at 31 December 2025	15,978	726	16,704
At 31 December 2025:			
Cost	32,066	1,196	33,262
Accumulated amortisation	(16,088)	(470)	(16,558)
Net carrying amount	15,978	726	16,704

	Software	Patents and licences	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 30 April 2026			
At 1 January 2026:			
Cost	32,066	1,196	33,262
Accumulated amortisation	(16,088)	(470)	(16,558)
Net carrying amount	15,978	726	16,704
At 1 January 2026, net of accumulated amortisation	15,978	726	16,704
Additions	6,058	–	6,058
Amortisation provided during the period	(2,421)	(80)	(2,501)
As at 30 April 2026	19,615	646	20,261
At 30 April 2026:			
Cost	38,124	1,196	39,320
Accumulated amortisation	(18,509)	(550)	(19,059)
Net carrying amount	19,615	646	20,261

The Company

	Software	Patents and licences	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 31 December 2023			
At 1 January 2023:			
Cost	9,834	566	10,400
Accumulated amortisation	(1,553)	(57)	(1,610)
Net carrying amount	8,281	509	8,790
At 1 January 2023, net of accumulated amortisation	8,281	509	8,790
Additions	11,538	–	11,538
Amortisation provided during the year	(3,829)	(113)	(3,942)
As at 31 December 2023	15,990	396	16,386
At 31 December 2023:			
Cost	21,371	566	21,937
Accumulated amortisation	(5,381)	(170)	(5,551)
Net carrying amount	15,990	396	16,386

	Software	Patents and licences	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 31 December 2024			
At 1 January 2024:			
Cost	21,371	566	21,937
Accumulated amortisation	(5,381)	(170)	(5,551)
Net carrying amount	15,990	396	16,386
At 1 January 2024, net of accumulated amortisation	15,990	396	16,386
Additions	3,087	–	3,087
Amortisation provided during the year	(4,676)	(113)	(4,789)
As at 31 December 2024	14,401	283	14,684
At 31 December 2024:			
Cost	24,459	566	25,025
Accumulated amortisation	(10,058)	(283)	(10,341)
Net carrying amount	14,401	283	14,684

	Software	Patents and licences	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 31 December 2025			
At 1 January 2025:			
Cost	24,459	566	25,025
Accumulated amortisation	(10,058)	(283)	(10,341)
Net carrying amount	14,401	283	14,684
At 1 January 2025, net of accumulated amortisation	14,401	283	14,684
Additions	6,232	–	6,232
Amortisation provided during the year	(5,809)	(113)	(5,922)
As at 31 December 2025	14,824	170	14,994
At 31 December 2025:			
Cost	30,691	566	31,257
Accumulated amortisation	(15,867)	(396)	(16,263)
Net carrying amount	14,824	170	14,994

	Software	Patents and licences	Total
	RMB'000	*RMB'000*	*RMB'000*
As at 30 April 2026			
At 1 January 2026:			
Cost	30,691	566	31,257
Accumulated amortisation	(15,867)	(396)	(16,263)
Net carrying amount	14,824	170	14,994
At 1 January 2026, net of accumulated amortisation	14,824	170	14,994
Additions	4,750	–	4,750
Amortisation provided during the period	(2,286)	(37)	(2,323)
As at 30 April 2026	17,288	133	17,421
At 30 April 2026:			
Cost	35,441	566	36,007
Accumulated amortisation	(18,153)	(433)	(18,586)
Net carrying amount	17,288	133	17,421

16. INVESTMENTS IN A SUBSIDIARY AND A JOINT VENTURE

(a) Investment in a joint venture

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*
Share of net assets	11,412	–	–	–

(a) Particulars of the Group's joint venture are as follows:

Name of company	Place and date of registration	Percentage of ownership interest attributable to the Group	Principal activities
Nanjing Changxin Testing Technology Co., Ltd. ("**Nanjing Changxin**")	Chinese mainland/ 6 September 2021	50%	Testing services

In September 2024, the Company disposed of the 50% equity interest in Nanjing Changxin to the other 50% shareholder, Jiangsu Changjing Electronics Technology Co., Ltd., for a total consideration of RMB10,000,000. The loss on disposal of Nanjing Changxin was disclosed in note 6 to the Historical Financial Information.

The following table illustrates the aggregate financial information of the Group's joint venture:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Share of the joint venture's profit and total comprehensive income for the year/period	1,017	633	–	–
Dividend received from a joint venture	–	1,121	–	–

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Aggregate carrying amount of the Group's investment in the joint venture	11,412	–	–	–

(b) Investment in a subsidiary

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Investment in a subsidiary*	134,543	146,296	211,256	212,104

* Details of the subsidiary of the Company are disclosed in note 1 to the Historical Financial Information.

17. DEFERRED TAX

The Group

The movements in deferred tax during the Relevant Periods are as follows:

Deferred tax assets

	Deferred income	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2023	36,244	18,414	54,658
Deferred tax charged to profit or loss during the year	(17,276)	(9,029)	(26,305)
Gross deferred tax assets at 31 December 2023	18,968	9,385	28,353
At 1 January 2024	18,968	9,385	28,353
Deferred tax charged to profit or loss during the year	(1,146)	(3,438)	(4,584)
Gross deferred tax assets at 31 December 2024	17,822	5,947	23,769
At 1 January 2025	17,822	5,947	23,769
Deferred tax (charged)/credited to profit or loss during the year	(3,685)	591	(3,094)
Gross deferred tax assets at 31 December 2025	14,137	6,538	20,675
At 1 January 2026	14,137	6,538	20,675
Deferred tax (charged)/credited to profit or loss during the period	(1,325)	68	(1,257)
Gross deferred tax assets at 30 April 2026	12,812	6,606	19,418

Deferred tax liabilities

	Right-of-use assets	Accelerated depreciation	Others	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023	17,424	37,234	–	54,658
Deferred tax (credited)/charged to profit or loss during the year	(8,422)	(17,926)	43	(26,305)
Gross deferred tax liabilities at 31 December 2023	9,002	19,308	43	28,353
At 1 January 2024	9,002	19,308	43	28,353
Deferred tax (credited)/charged to profit or loss during the year	(1,284)	(3,316)	16	(4,584)
Gross deferred tax liabilities at 31 December 2024	7,718	15,992	59	23,769
At 1 January 2025	7,718	15,992	59	23,769
Deferred tax (credited)/charged to profit or loss during the year	(992)	(2,216)	114	(3,094)
Gross deferred tax liabilities at 31 December 2025	6,726	13,776	173	20,675
At 1 January 2026	6,726	13,776	173	20,675
Deferred tax credited to profit or loss during the period	(481)	(739)	(37)	(1,257)
Gross deferred tax liabilities at 30 April 2026	6,245	13,037	136	19,418

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statements of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

	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	–	–	–	–
Net deferred tax liabilities recognized the consolidated statement of financial position	–	–	–	–

18. OTHER NON-CURRENT ASSETS

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Prepayments for property, plant and equipment	35,659	48,421	10,662	8,673

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Prepayments for property, plant and equipment	9,950	16,094	8,712	7,808

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	112,507	105,494	124,706	131,226
Work in progress	29,346	41,241	52,298	73,324
Finished goods	22,424	29,661	28,449	31,400
Total	164,277	176,396	205,453	235,950

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Raw materials	112,369	105,393	121,547	126,523
Work in progress	29,346	41,241	51,878	72,924
Finished goods	22,424	29,661	27,497	30,762
Total	164,139	176,295	200,922	230,209

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	134,833	175,982	181,067	197,674
Impairment	(4,288)	(8,096)	(6,514)	(8,218)
	130,545	167,886	174,553	189,456
Bills receivable	15,612	330	31,332	10,598
Net carrying amount	146,157	168,216	205,885	200,054

The Group's trading terms with its customers are mainly on credit. The credit period is generally 1 to 2 months, extending up to three months after invoice date for major customers. Each customer has a maximum credit limit. 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. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at 31 December 2023, 2024 and 2025 and 30 April 2026, based on the invoice date and net of loss allowance, is 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	130,545	167,886	174,553	189,456

The movements in the loss allowance for impairment of trade 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 beginning of year/period	1,867	4,288	8,096	6,514
Impairment losses, net	2,421	3,808	(1,582)	1,704
At end of year/period	4,288	8,096	6,514	8,218

An impairment analysis was made based on expected credit loss model on the recoverability of trade receivables and performed using a provision matrix to measure expected credit losses. The identification of impairment requires management's judgements and estimates by considering the age of the balance, existence of disputes, recent historical payment patterns, any other available information concerning the creditworthiness of counterparties and influence from macroeconomy.

Set out below is the information about the credit risk exposure on the Group's trade receivables:

As at 31 December 2023

	Individual basis	Within 1 year	Over 1 year	Total
Expected credit loss rate	–	3.15%	100.00%	3.18%
Gross carrying amount (RMB'000)	–	134,794	39	134,833
Expected credit losses (RMB'000)	–	4,249	39	4,288

As at 31 December 2024

	Individual basis	Within 1 year	Over 1 year	Total
Expected credit loss rate	100.00%	3.97%	100.00%	4.60%
Gross carrying amount (RMB'000)	601	174,829	552	175,982
Expected credit losses (RMB'000)	601	6,943	552	8,096

As at 31 December 2025

	Individual basis	Within 1 year	Over 1 year	Total
Expected credit loss rate	100.00%	3.28%	100.00%	3.60%
Gross carrying amount (RMB'000)	589	180,478	–	181,067
Expected credit losses (RMB'000)	589	5,925	–	6,514

As at 30 April 2026

	Individual basis	Within 1 year	Over 1 year	Total
Expected credit loss rate	100.00%	3.04%	100.00%	4.16%
Gross carrying amount (RMB'000)	589	195,395	1,690	197,674
Expected credit losses (RMB'000)	589	5,939	1,690	8,218

The expected credit losses for bills receivable were minimal since the settlement was made from creditworthy banks with no recent history of default as at 31 December 2023, 2024 and 2025 and 30 April 2026. The maturity terms of bills receivable are generally three to six months.

The Group endorsed certain bills receivable included in bills receivable and debt investments at fair value through other comprehensive income, which were all accepted by banks in the Chinese mainland to certain suppliers in order to settle the trade and other payables due to such suppliers. Further details are included in note 41 to the Historical Financial Information.

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables	134,833	175,982	174,790	184,961
Impairment	(4,288)	(8,096)	(6,319)	(7,831)
	130,545	167,886	168,471	177,130
Bills receivable	15,612	330	31,332	10,598
Net carrying amount	146,157	168,216	199,803	187,728

An ageing analysis of the trade receivables as at 31 December 2023, 2024 and 2025 and 30 April 2026, based on the invoice date and net of loss allowance, is 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	130,545	167,886	168,471	177,130

The movements in the loss allowance for impairment of trade 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 beginning of year/period	1,867	4,288	8,096	6,319
Impairment losses, net	2,421	3,808	(1,777)	1,512
At end of year/period	4,288	8,096	6,319	7,831

Set out below is the information about the credit risk exposure on the Group's trade receivables:

As at 31 December 2023

	Individual basis	Within 1 year	Over 1 year	Total
Expected credit loss rate	–	3.15%	100.00%	3.18%
Gross carrying amount (RMB'000)	–	134,794	39	134,833
Expected credit losses (RMB'000)	–	4,249	39	4,288

As at 31 December 2024

	Individual basis	Within 1 year	Over 1 year	Total
Expected credit loss rate	100.00%	3.97%	100.00%	4.60%
Gross carrying amount (RMB'000)	601	174,829	552	175,982
Expected credit losses (RMB'000)	601	6,943	552	8,096

As at 31 December 2025

	Individual basis	Within 1 year	Over 1 year	Total
Expected credit loss rate	100.00%	3.29%	–	3.62%
Gross carrying amount (RMB'000)	589	174,201	–	174,790
Expected credit losses (RMB'000)	589	5,730	–	6,319

As at 30 April 2026

	Individual basis	Within 1 year	Over 1 year	Total
Expected credit loss rate	100.00%	3.04%	100.00%	4.23%
Gross carrying amount (RMB'000)	589	182,682	1,690	184,961
Expected credit losses (RMB'000)	589	5,552	1,690	7,831

21. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Value-added tax recoverable	74,425	114,710	123,936	140,601
Deposits	1,365	1,428	767	13,231
Prepayments	11,881	21,330	12,924	49,108
Deferred listing expenses	–	–	2,087	4,275
Others	778	249	292	131
	88,449	137,717	140,006	207,346
Impairment allowance	(21)	(31)	(8)	(8)
Total	88,428	137,686	139,998	207,338

Other receivables are unsecured, non-interest-bearing and repayable on demand.

The Group has applied the general approach in calculating the expected credit loss for other receivables. The Group considers the historical loss rate and adjusts for forward-looking macroeconomic data in calculating the expected credit loss rate.

The following table provides information about the exposure to credit risk and ECLs for other receivables from third parties which are assessed collectively based on an estimated average credit loss rate as at 31 December 2023, 2024 and 2025 and 30 April 2026:

	31 December 2023		
	Average loss rate	Gross carrying amount	Impairment loss allowance
		RMB'000	*RMB'000*
Other receivables	0.98%	2,143	21

	31 December 2024		
	Average loss rate	Gross carrying amount	Impairment loss allowance
		RMB'000	*RMB'000*
Other receivables	1.85%	1,677	31

	31 December 2025		
	Average loss rate	Gross carrying amount	Impairment loss allowance
		RMB'000	*RMB'000*
Other receivables	0.76%	1,059	8

	30 April 2026		
	Average loss rate	Gross carrying amount	Impairment loss allowance
		RMB'000	*RMB'000*
Other receivables	0.06%	13,362	8

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Value-added tax recoverable	53,034	66,018	40,863	54,995
Deposits	512	575	321	12,809
Prepayments	11,881	21,330	11,895	47,760
Deferred listing expenses	–	–	2,087	4,275

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Due from a subsidiary	11,702	58,862	19,939	29,323
Others	778	245	56	25
	77,907	147,030	75,161	149,187
Impairment allowance	(8)	(9)	(4)	(4)
Total	77,899	147,021	75,157	149,183

22. DEBT INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

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*
Debt investments at fair value through other comprehensive income:				
Bills receivable	1,955	4,001	1,264	4,989

For bills receivable that were held both for collection of contractual cash flows and selling, where the contractual cash flows of these bills receivable represented solely payments of principal and interest on the principal amount outstanding, they were classified as financial assets at fair value through other comprehensive income.

23. 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*
Other unlisted investments, at fair value	85,414	26,183	90,482	35,788

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Other unlisted investments, at fair value	81,380	–	85,941	35,788

The above unlisted investments were wealth management products issued by banks in the Chinese mainland. They were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest. The management closely monitors the performance and fair values of these investments on a regular basis.

24. DERIVATIVE FINANCIAL INSTRUMENTS

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Redemption right	9,026	4,276	3,397	2,519

In 2023, The Company entered into an investment agreement with the other shareholder of Yangzhou Chiplet, pursuant to which Yangzhou Chiplet was granted a right to repurchase up to 455,000,000 of its own shares (represented approximately 55.49% of the equity interest) at a price equal to the original investment amount within five years from the date of capital contribution by the other shareholder, at Yangzhou Chiplet's discretion. The Group identified the redemption right as a derivative financial instrument measured at fair value and with its changes recognised in profit and loss. Loss on changes in fair value amounting to RMB1,453,000, RMB4,750,000, RMB879,000 and RMB878,000 were recognised in profit or loss for the years ended 31 December 2023, 2024 and 2025 and the four months ended 30 April 2026, respectively.

25. CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND PLEDGED 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	196,506	101,930	170,285	152,806
Less: Pledged deposits	–	(11,741)	(12,000)	(37,705)
Restricted cash	(32,811)	(7,023)	(14,587)	(2,037)
Cash and cash equivalents	163,695	83,166	143,698	113,064

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	196,106	90,301	156,907	141,963
Less: Pledged deposits	–	(4,259)	(12,000)	(37,705)
Restricted cash	(32,811)	(6,982)	(2,637)	(2,037)
Cash and cash equivalents	163,295	79,060	142,270	102,221

As at 31 December 2023, 2024 and 2025 and 30 April 2026, the cash and cash equivalents of the Group denominated in United States dollars ("**USD**") amounted to approximately RMB7,170,000, RMB259,000, RMB3,076,000 and RMB6,721,000, respectively. All other cash and cash equivalents held by the Group are denominated in RMB.

The RMB is not freely convertible into other currencies, however, under the Chinese mainland's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default. The carrying amounts of the cash and cash equivalents approximated to their fair values.

Pledged deposits of nil, RMB11,741,000, RMB12,000,000 and RMB37,705,000 at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, were pledged time deposits for the issuance of acceptance bills.

As at 31 December 2023, 2024 and 2025 and 30 April 2026, the restricted cash of RMB2,695,000, RMB3,224,000, RMB1,000,000 and RMB1,000,000, respectively, were held as deposits for the issuance of Letters of Credit, of RMB116,000, RMB3,799,000, RMB11,950,000 and nil, respectively, were held as deposits for the issuance of acceptance bills, of RMB30,000,000, nil, nil and nil were deposits for borrowings, of nil, nil, RMB1,637,000 and RMB1,037,000, respectively, were held as deposits in a regulated account.

26. TRADE 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	110,016	129,985	172,505	142,939
Bills payable	–	21,082	23,950	37,705
Total	110,016	151,067	196,455	180,644

An ageing analysis of the trade and bills payables as at 31 December 2023, 2024 and 2025 and 30 April 2026, based on the invoice date, is 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	109,888	150,707	195,916	180,006
Over 1 year	128	360	539	638
Total	110,016	151,067	196,455	180,644

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	109,934	129,985	164,951	135,178
Bills payable	–	13,600	12,000	37,705
Due to a subsidiary	–	–	73	19,023
Total	109,934	143,585	177,024	191,906

An ageing analysis of the trade and bills payables as at 31 December 2023, 2024 and 2025 and 30 April 2026, based on the invoice date, is 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	109,806	143,225	176,485	191,268
Over 1 year	128	360	539	638
Total	109,934	143,585	177,024	191,906

The trade payables are non-interest-bearing and are normally settled on 60-day to 90-day terms.

27. OTHER PAYABLES AND ACCRUALS

The Group

		As at 31 December			As at 30 April
	Notes	2023	2024	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Payable for purchase of long-term assets		379,175	495,074	658,109	581,661
Contract liabilities	*(a)*	14,416	5,411	2,835	4,368
Payroll and welfare payables		35,303	38,304	36,681	29,133
Accrued expense		8,445	11,622	8,374	7,193
Deposits		–	15,000	50,000	50,000
Other tax payables		3,476	2,491	3,274	2,185
Other payables		2,401	6,146	5,400	11,273
Total		443,216	574,048	764,673	685,813
Analysed into:					
Current portion		443,216	574,048	763,184	685,813
Non-current portion		–	–	1,489	–

The Company

		As at 31 December			As at 30 April
	Notes	2023	2024	2025	2026
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Payable for purchase of long-term assets		374,410	383,311	312,683	287,636
Contract liabilities	*(a)*	14,416	5,411	2,835	4,368
Payroll and welfare payables		34,111	37,202	33,943	25,978
Accrued expense		8,395	11,621	8,348	7,193
Deposits		–	15,000	50,000	50,000
Other tax payables		3,384	2,209	2,317	1,818
Other payables		2,391	6,020	4,922	10,891
Total		437,107	460,774	415,048	387,884

(a) Contract liabilities include short-term advances received from customers regarding to the provision of packaging products and testing service.

Financial liabilities included in other payables and accruals are non-interest-bearing, except for certain contract signed by Yangzhou Chiplet in 2025 for purchasing certain equipment from a third party, which agreed that some payables can be settled for a period longer than one year. For this contract, financing components were considered and these payables were discounted at the rate reflected the cost of financing of Yangzhou Chiplet at contract inception.

28. INTEREST-BEARING BANK AND OTHER BORROWINGS

The Group

	As at 31 December 2023		
	Effective interest rate (%)	*Maturity*	*RMB'000*
Current			
Bank borrowings – secured	2.80%-3.70%	2024	271,657
Bank borrowings – unsecured	3.10%-3.75%	2024	74,778
Sale and leaseback – secured	4.6%-5.89%	2024	78,454
Total-current			424,889
Non-current			
Bank borrowings – secured	3.00%	2025-2026	80,000
Sale and leaseback – secured	4.6%-5.89%	2025-2026	71,041
Total-non-current			151,041
Total			575,930

	As at 31 December 2024		
	Effective interest rate (%)	*Maturity*	*RMB'000*
Current			
Bank borrowings – secured	2.65%-3.45%	2025	288,913
Bank borrowings – unsecured	2.65%-3.65%	2025	79,623
Sale and leaseback – secured	4.21%-5.62%	2025	114,466
Total-current			483,002
Non-current			
Bank borrowings – secured	3.00%	2026	50,000
Sale and leaseback – secured	4.21%-5.62%	2026-2027	81,455
Total-non-current			131,455
Total			614,457

	As at 31 December 2025		
	Effective interest rate (%)	*Maturity*	*RMB'000*
Current			
Bank borrowings – secured	2.50%-3.25%	2026	461,600
Bank borrowings – unsecured	2.50%-3.00%	2026	141,632
Sale and leaseback – secured	3.76%-5.23%	2026	103,873
Total-current			707,105
Non-current			
Bank borrowings – secured	2.80%-3.25%	2027-2029	165,550
Sale and leaseback – secured	3.76%-5.23%	2027-2028	89,161
Total-non-current			254,711
Total			961,816

	As at 30 April 2026		
	Effective interest rate (%)	*Maturity*	*RMB'000*
Current			
Bank borrowings – secured	2.50%-3.25%	2026	367,000
Bank borrowings – unsecured	2.48%-3.00%	2026-2027	336,287
Sale and leaseback – secured	3.76%-5.23%	2026-2027	123,072

	As at 30 April 2026		
	Effective interest rate (%)	*Maturity*	*RMB'000*
Total-current			826,359
Non-current			
Bank borrowings – secured	2.60%-3.25%	2027-2029	210,070
Bank borrowings – unsecured	2.48%-3.25%	2027-2029	42,000
Sale and leaseback – secured	3.76%-5.23%	2027-2029	105,892
Total-non-current			357,962
Total			1,184,321

The Group's bank borrowings amounting to nil, nil, RMB30,000,000 and RMB30,000,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, were guaranteed by Mr. Zhang Guodong, an executive director of the Group, and his spouse Ms. Wang Linxia, and Mr. Pan Mingdong and Mr. Long Xinjiang, executive directors of the Group.

The Group's bank borrowings amounting to RMB57,159,000, RMB67,913,000, RMB90,000,000 and RMB95,000,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, were guaranteed by Mr. Zhang Guodong, an executive director of the Group.

The Group's bank borrowings amounting to RMB122,000,000, RMB101,000,000, RMB82,000,000 and RMB47,000,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, were guaranteed by Mr. Zhang Guodong, an executive director, and were secured by certain property, plant and equipment with carrying amounts of approximately RMB161,219,000, RMB140,651,000, RMB107,415,000 and RMB131,361,000, respectively.

The Group's bank borrowings amounting to RMB50,000,000, RMB90,000,000, RMB120,000,000 and RMB100,000,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, were guaranteed by Mr. Zhang Guodong, an executive director of the Group, and his spouse Ms. Wang Linxia.

The Group's bank borrowings amounting to nil, RMB30,000,000, RMB76,334,000 and RMB69,134,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, were guaranteed by Mr. Zhang Guodong and Mr. Pan Mingdong, executive directors of the Group.

The Group's bank borrowings amounting to RMB40,000,000, RMB40,000,000, RMB86,216,000 and RMB76,936,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, were guaranteed by Mr. Zhang Guodong and Mr. Pan Mingdong, executive directors of the Group, and secured by certain property, plant and equipment with carrying amounts of RMB36,805,000, RMB32,798,000, RMB155,214,000 and RMB110,396,000, respectively.

The Group's bank borrowings amounting to RMB10,000,000, RMB10,000,000, nil and nil as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, were guaranteed by Mr. Zhang Guodong, an executive director of the Group, and his spouse Ms. Wang Linxia, Mr. Pan Mingdong, an executive director of the Group, and his spouse Ms. Jin Chengru, and were secured by certain property, plant and equipment with carrying amounts of RMB8,890,000, RMB7,887,000, nil and nil, respectively.

The Group's bank borrowings amounting to RMB72,498,000, nil, nil and nil as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, were secured by bank deposit of RMB30,000,000, nil, nil and nil, respectively.

The Group's bank borrowings amounting to nil, nil, RMB132,600,000 and RMB119,000,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, were guaranteed by Mr. Zhang Guodong, an executive director of the Group, and his spouse Ms. Wang Linxia, and were secured by certain property, plant and equipment with carrying amounts of nil, nil, RMB195,219,000 and RMB156,297,000, respectively.

The Group's bank borrowings amounting to nil, nil, nil and RMB30,000,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, were secured by certain property, plant and equipment with the carrying amounts of nil, nil, nil and RMB38,667,000, respectively.

The Group's bank borrowings amounting to nil, nil, RMB10,000,000 and RMB10,000,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, arose from the discounting of acceptance bills.

The Group's other borrowings amounting to RMB53,466,000, RMB25,415,000, nil and nil as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, were guaranteed by Mr. Zhang Guodong, an executive director of the Group, and his spouse Ms. Wang Linxia. and Mr. Pan Mingdong, an executive director of the Group, and his spouse Ms. Jin Chengru, and Mr. Long Xinjiang, an executive director of the Group, and his spouse Ms. Gu Jingye, and Mr. Zhang Zhong, a senior management of the Group, and his spouse Ms. Zhang Lanying, and were secured by certain property, plant and equipment with carrying amounts of RMB102,315,000, RMB90,137,000, nil and nil, respectively, and were subject to the sale and leaseback arrangements.

The Group's other borrowings amounting to nil, RMB38,172,000, RMB21,901,000 and RMB17,764,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, were guaranteed by Mr. Zhang Guodong, an executive director of the Group, and Mr. Pan Mingdong, an executive director of the Group, and Mr. Liu Yi, an executive director of the Group, and were secured by certain property, plant and equipment with carrying amount of nil, RMB41,207,000, RMB37,686,000 and RMB34,638,000, respectively, were subject to the sale and leaseback arrangements.

The Group's other borrowings amounting to RMB96,029,000, RMB132,334,000, RMB59,165,000 and RMB112,498,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, were secured by certain property, plant and equipment with carrying amounts of RMB151,804,000, RMB238,421,000, RMB128,847,000 and RMB174,137,000, respectively and were subject to the sale and leaseback arrangements.

The Group's other borrowings amounting to nil, nil, RMB111,968,000 and RMB98,702,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively, were guaranteed by Mr. Zhang Guodong, an executive director of the Group, and his spouse Ms. Wang Linxia. These borrowings secured by certain property, plant and equipment with the carrying amounts of nil, nil, RMB153,353,000 and RMB145,334,000, respectively, were subject to the sale and leaseback arrangements.

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Analysed into:				
Bank borrowings repayable:				
Within one year or on demand	346,435	368,536	603,232	703,287
In the second year	30,000	50,000	120,000	187,000
In the third to fifth years, inclusive	50,000	–	45,550	65,070
Subtotal	426,435	418,536	768,782	955,357
Other borrowings repayable:				
Within one year or on demand	78,454	114,466	103,873	123,072
In the second year	64,180	59,428	66,405	75,744
In the third to fifth years, inclusive	6,861	22,027	22,756	30,148
Subtotal	149,495	195,921	193,034	228,964
Total	575,930	614,457	961,816	1,184,321

The carrying amounts of borrowings are denominated in the following currencies:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
RMB	503,432	614,457	961,816	1,184,321
Hong Kong dollar	72,498	–	–	–
Total	575,930	614,457	961,816	1,184,321

The Company

	As at 31 December 2023		
	Effective interest rate (%)	*Maturity*	*RMB'000*
Current			
Bank borrowings – secured	2.80%-3.70%	2024	271,657
Bank borrowings – unsecured	3.10%-3.75%	2024	74,778
Sale and leaseback – secured	4.6%-5.89%	2024	78,454
Total-current			424,889
Non-current			
Bank borrowings – secured	3.00%	2025-2026	80,000
Sale and leaseback – secured	4.6%-5.89%	2025-2026	71,041
Total-non-current			151,041
Total			575,930

	As at 31 December 2024		
	Effective interest rate (%)	*Maturity*	*RMB'000*
Current			
Bank borrowings – secured	2.65%-3.45%	2025	288,913
Bank borrowings – unsecured	2.65%-3.65%	2025	79,623
Sale and leaseback – secured	4.21%-5.62%	2025	114,466
Total-current			483,002
Non-current			
Bank borrowings – secured	3.00%	2026	50,000
Sale and leaseback – secured	4.21%-5.62%	2026-2027	81,455
Total-non-current			131,455
Total			614,457

	As at 31 December 2025		
	Effective interest rate (%)	*Maturity*	*RMB'000*
Current			
Bank borrowings – secured	2.50%-3.25%	2026	461,600
Bank borrowings – unsecured	2.50%-3.00%	2026	141,632
Sale and leaseback – secured	3.76%-5.23%	2026	103,873
Total-current			707,105
Non-current			
Bank borrowings – secured	2.80%-3.25%	2027-2029	165,550
Sale and leaseback – secured	3.76%-5.23%	2027-2028	89,161
Total-non-current			254,711
Total			961,816

	As at 30 April 2026		
	Effective interest rate (%)	*Maturity*	*RMB'000*
Current			
Bank borrowings – secured	2.50%-3.25%	2026	367,000
Bank borrowings – unsecured	2.48%-3.00%	2026-2027	321,264
Sale and leaseback – secured	3.76%-5.23%	2026-2027	123,072
Total-current			811,336
Non-current			
Bank borrowings – secured	2.60%-3.25%	2027-2029	210,070
Bank borrowings – unsecured	2.48%-3.25%	2027-2029	27,000
Sale and leaseback – secured	3.76%-5.23%	2027-2029	105,892
Total-non-current			342,962
Total			1,154,298

	As at 31 December			As at 30 April
	2023	**2024**	**2025**	**2026**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Analysed into:				
Bank borrowings repayable:				
Within one year or on demand	346,435	368,536	603,232	688,264
In the second year	30,000	50,000	120,000	172,000
In the third to fifth years, inclusive	50,000	–	45,550	65,070
Subtotal	426,435	418,536	768,782	925,334
Other borrowings repayable:				
Within one year or on demand	78,454	114,466	103,873	123,072
In the second year	64,180	59,428	66,405	75,744

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
In the third to fifth years, inclusive	6,861	22,027	22,756	30,148
Subtotal	149,495	195,921	193,034	228,964
Total	575,930	614,457	961,816	1,154,298

The carrying amounts of borrowings are denominated in the following currencies:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
RMB	503,432	614,457	961,816	1,154,298
Hong Kong dollar	72,498	–	–	–
Total	575,930	614,457	961,816	1,154,298

29. REDEMPTION LIABILITIES ON EQUITY SHARES

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*
Redemption liabilities on equity shares	2,057,659	2,424,909	2,964,767	3,008,576
Total	2,057,659	2,424,909	2,964,767	3,008,576

The movements of the redemption liabilities on equity shares during the Relevant Periods are set out below:

	Redemption liabilities
	RMB'000
As at 1 January 2023	1,360,495
Addition	630,665
Accretion of interest recognised during the year	66,499
As at 31 December 2023 and 1 January 2024	2,057,659
Addition	264,222
Accretion of interest recognised during the year	103,028
As at 31 December 2024 and 1 January 2025	2,424,909
Addition	414,901
Accretion of interest recognised during the year	124,957
As at 31 December 2025 and 1 January 2026	2,964,767
Accretion of interest recognised during the period	43,809
As at 30 April 2026	3,008,576

From 2021 to 2025, the Company conducted several series of financing by issuing registered capital or ordinary shares to investors and certain investors were granted customary special rights, including but not limited to the redemption rights, liquidation preferences and anti-dilution rights. The redemption liabilities represented the redemption rights granted to certain investors of the Company. Shares with redemption rights shall be redeemable by the Company upon occurrence of specified triggering events, including a non-completion of a qualified listing by 31 December 2026, such date was extended to 31 December 2028 pursuant to the investment agreements with all shareholders (including those newly injected shareholders in 2025) on 12 August 2025.

The redemption amount for each investor will be the investment amount paid by such investor plus annual simple interest at a rate of 6% for the period between the capital injection date and the redemption date. The redemption liabilities were initially recognised at the present value of the redemption amounts payable upon exercise of the redemption rights, with corresponding debits made to other reserve in equity, and subsequently measured at amortised cost with interests included in "Finance Cost" in profit or loss.

On 13 October 2025, the Company and all shareholders entered into a supplemental agreement to amend and terminate the special rights granted to the shareholders. Pursuant to which, the triggering events of the redemption rights, non-completion of a qualified listing by 31 December 2028, shall be automatically terminated upon the completion of the Listing and will not be reinstated thereafter.

30. DEFERRED INCOME

The movements in deferred income at 31 December 2023, 2024 and 2025 and 30 April 2026 are as follows:

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At the beginning of year/period	291,890	337,004	333,250	302,542
Government grants received during the year/period	95,615	90,557	29,500	18,532
Credited to profit or loss during the year/period	(50,501)	(94,311)	(60,208)	(18,380)
At the end of year/period	337,004	333,250	302,542	302,694

The Company

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At the beginning of year/period	291,890	324,473	320,973	290,519
Government grants received during the year/period	82,999	90,557	29,500	18,532
Credited to profit or loss during the year/period	(50,416)	(94,057)	(59,954)	(18,295)
At the end of year/period	324,473	320,973	290,519	290,756

Government grants received relating to assets are recognised in deferred income and released to profit or loss over the expected or remaining useful lives of the relevant assets.

31. OTHER NON-CURRENT LIABILITIES

The Group

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Payable for purchase of long-term assets *(note 27)*	–	–	1,489	–

32. SHARE CAPITAL/PAID-IN 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*
At the beginning of year/period	751,274	857,062	896,335	959,062
Capital contribution from shareholders *(Note a)*	25,636	–	–	–
Capital contribution from series A++ investors *(Note a)*	23,636	–	–	–
Capital contribution from shareholder *(Note a)*	10,000	–	–	–
Capital contribution from series Pre-IPO investors *(Note b)*	46,516	–	–	–

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Conversion of the Company into a joint stock company *(Note c)*	–	(857,062)	–	–
Issue of ordinary shares *(Note c)*	–	857,062	–	–
Issue of shares for series Pre-IPO investors *(Note b)*	–	39,273	–	–
Issue of shares for series Pre-IPO+ investors *(Note d)*	–	–	62,727	–
At the end of year/period	857,062	896,335	959,062	959,062

Notes:

(a) In November 2023, the Company received capital contributions of RMB25,636,000 from shareholders, which was recognised as paid-in capital of the Company.

Pursuant to the shareholders' agreement entered into among series A++ investors and all then shareholders of the Company in February 2023, series A++ investors injected RMB130,000,000 into the Company, of which RMB23,636,000 and RMB106,364,000 were recognised as paid-in capital and capital reserve of the Company, respectively. Mr. Liu Yi injected RMB10,000,000 into the Company in September 2023, which was recognised as paid-in capital of the Company.

(b) Pursuant to the shareholders' agreement entered into among series Pre-IPO investors and all then shareholders in November 2023, series Pre-IPO investors agreed to subscribe paid-in capital of RMB85,789,000 at a consideration of RMB471,839,000. The consideration of RMB255,839,000 was injected in 2023, of which RMB46,516,000 and RMB209,323,000 were recognised as paid-in capital and capital reserve of the Company during the year ended 31 December 2023, respectively. RMB39,273,000 and RMB176,727,000 were recognised as share capital and share premium of the Company during the year ended 31 December 2024, respectively.

(c) In June 2024, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC as of the conversion base date, which is 30 November 2023. The paid-in capital of RMB857,062,000 was converted into 857,062,000 ordinary shares at RMB1.00 each.

(d) Pursuant to the shareholders' agreement entered into among series Pre-IPO+ investors and all then shareholders in August 2025, series Pre-IPO+ investors agreed to subscribe 62,727,000 shares at a consideration of RMB345,000,000, of which RMB62,727,000 and RMB282,273,000 were recognised as share capital and share premium of the Company during the year ended 31 December 2025.

33. RESERVES

The Group

The amounts of the Group's reserves and the movements therein for the Relevant Periods and the four months ended 30 April 2025 are presented in the consolidated statements of changes in equity.

Share premium

The share premium of the Company represents the share premium contributed by the shareholders of the Company after its conversion into a joint stock company.

Capital reserve

The capital reserve of the Company represents the share premium contributed by the shareholders of the Company before its conversion into a joint stock company.

Other reserve

The other reserve of the Group represents the amounts of equity shares with redemption features as set out in notes 24 and 29 to the Historical Financial Information, respectively.

Share-based payment reserve

The share-based payment reserve represents the equity-settled share awards granted to employees of the Group.

The Company

	Share premium	Other reserve	Capital reserve	Share-based compensation reserve	Accumulated loss	Total
	RMB'000 (note 33)	*RMB'000 (note 33)*	*RMB'000 (note 33)*	*RMB'000 (note 34)*	*RMB'000*	*RMB'000*
At 1 January 2023	–	(1,292,190)	706,092	15,096	(523,311)	(1,094,313)
Loss for the year	–	–	–	–	(327,298)	(327,298)
Other comprehensive income for the year	–	–	–	–	–	–
Total comprehensive loss for the year	–	–	–	–	(327,298)	(327,298)
Capital contribution by shareholders	–	–	315,687	–	–	315,687
Equity-settled share-based compensation arrangements	–	1,262	–	24,818	–	26,080
Recognition of redemption liabilities on equity shares	–	(630,665)	–	–	–	(630,665)
At 31 December 2023	–	(1,921,593)	1,021,779	39,914	(850,609)	(1,710,509)
As at 1 January 2024	–	(1,921,593)	1,021,779	39,914	(850,609)	(1,710,509)
Loss for the year	–	–	–	–	(325,367)	(325,367)
Other comprehensive income for the year	–	–	–	–	–	–
Total comprehensive loss for the year	–	–	–	–	(325,367)	(325,367)
Capital contribution by shareholders	176,727	–	–	–	–	176,727
Equity-settled share-based compensation arrangements	–	1,753	–	33,929	–	35,682
Conversion of the Company to a joint stock company	371,461	–	(1,021,779)	(33,864)	684,182	–
Recognition of redemption liabilities on equity shares	–	(264,222)	–	–	–	(264,222)
At 31 December 2024	548,188	(2,184,062)	–	39,979	(491,794)	(2,087,689)
As at 1 January 2025	548,188	(2,184,062)	–	39,979	(491,794)	(2,087,689)
Loss for the year	–	–	–	–	(419,824)	(419,824)
Other comprehensive income for the year	–	–	–	–	–	–
Total comprehensive loss for the year	–	–	–	–	(419,824)	(419,824)
Capital contribution by shareholders	282,273	–	–	–	–	282,273
Equity-settled share-based compensation arrangements	–	4,959	–	69,570	–	74,529
Recognition of redemption liabilities on equity shares	–	(414,901)	–	–	–	(414,901)
At 31 December 2025	830,461	(2,594,004)	–	109,549	(911,618)	(2,565,612)
As at 1 January 2026	830,461	(2,594,004)	–	109,549	(911,618)	(2,565,612)
Loss for the period	–	–	–	–	(129,221)	(129,221)
Other comprehensive income for the period	–	–	–	–	–	–
Total comprehensive loss for the period	–	–	–	–	(129,221)	(129,221)
Equity-settled share-based compensation arrangements	–	849	–	14,924	–	15,773
At 30 April 2026	830,461	(2,593,155)	–	124,473	(1,040,839)	(2,679,060)

34. SHARE-BASED PAYMENTS/SHARE OPTION SCHEME

(a) Restricted stock incentive scheme

The Group operates a share-based incentive scheme (the "**Scheme**") under which the restricted stock units ("**RSUs**") of the Company will be granted as share incentives to qualified directors and employees of the Company and its subsidiary through two employee shareholding platforms Nanjing Ningtaixin Enterprise Consulting Management Partnership Enterprise

(Limited Partnership) ("南京寧泰芯企業諮詢管理合夥企業(有限合夥)"), Ningbo Meishan Bonded Port Zone Ningpuxin Enterprise Management Partnership (Limited Partnership) ("寧波梅山保稅港區寧浦芯企業管理合夥企業(有限合夥)") and its limited partners, which are also employee shareholding platforms. Mr. Zhang Guodong and Mr. Pan Mingdong are the general partners of these employee shareholding platforms, respectively. Mr. Zhang Guodong acted as the general partner of these platforms, and had the right to determine the eligible participants and vesting criteria, and was obliged to repurchase the shares of the resigned eligible participants at subscription prices and then reallocate these shares to other eligible participants.

During the year ended 31 December 2023, 60,127,000 shares of the Company were granted to eligible participants of the Scheme at subscription prices of RMB1.00 per share. The fair values of the shares of the Schemes on the grant date were between RMB3.70 to RMB3.96 per share.

During the year ended 31 December 2024, 2,595,000 shares of the Company were granted to eligible participants of the Scheme at subscription prices of RMB1.00 per share. The fair value of the shares of the Scheme on the grant date was RMB4.14 per share.

During the year ended 31 December 2025, 21,884,000 shares and 281,000 shares of the Company were granted to eligible participants of the Scheme at subscription prices of RMB1.00 per share. The fair values of the shares of the Schemes on the grant date were RMB4.14 and RMB4.38 per share, respectively.

During the four months ended 30 April 2025 , 21,884,000 shares of the Company were granted to eligible participants of the Scheme at subscription prices of RMB1.00 per share. The fair values of the shares of the Schemes on the grant date were RMB4.14 per share.

During the four months ended 30 April 2026, 202,200 shares and 55,000 shares of the Company were granted to eligible participants of the Scheme at subscription prices of RMB1.00 per share. The fair values of the shares of the Schemes on the grant date were RMB4.39 and RMB4.42 per share, respectively.

The shares granted to Mr. Zhang Guodong are fully vested upon grant, as no vesting conditions are applied, and were therefore immediately exercisable, while shares granted to other directors and employees are subject to a service condition requiring continuous service for eight years from the grant date. The Group accounts for the scheme as an equity-settled plan.

During the years ended 31 December 2023, 2024 and 2025 and the four months ended 30 April 2025 and 2026, 3,600,000, nil, 14,879,000, 14,879,000 and nil shares, respectively, granted to certain directors and employees vested prior to the end of the eight-year vesting period, following the approval by Mr. Zhang Guodong. As the vesting condition was satisfied earlier than originally anticipated, the remaining unrecognised share-based payment expenses at the point of vesting were immediately accelerated.

The following restricted shares were outstanding under the Scheme during the Relevant Periods and the four months ended 30 April 2025:

	Number of shares				
	As at 31 December			As at 30 April	
	2023	2024	2025	2025	2026
At the beginning of year/period	42,159,000	94,951,000	95,906,000	95,906,000	102,248,000
Granted during the year	60,127,000	2,595,000	22,165,000	21,884,000	257,200
Vested during the year	(3,600,000)	–	(14,879,000)	(14,879,000)	–
Forfeited during the year	(3,735,000)	(1,640,000)	(944,000)	(663,000)	(257,200)
At the end of year/period	94,951,000	95,906,000	102,248,000	102,248,000	102,248,000

The fair value is determined by an external valuer by using the back-solve method and equity allocation based on the option pricing model ("**OPM**").

	At grant dates
Expected volatility	42% to 51%
Risk-free interest rate%	1.34% to 2.55%

(b) Pre-IPO share option scheme

Pursuant to the Pre-IPO share option scheme in November 2025, the Company granted 12,000,000 share options to 38 employees at the exercise price of RMB1.50 per share. The share options will be settled by the issue of H shares of the Company upon exercise. The vesting periods for shares granted are 24 months, 36 months and 48 months from the date of completion of registration of the granted shares. According to the Company's performance appraisal and individual performance appraisal, 30%, 40% and 30% of shares will be vested during the vesting periods, respectively.

The exercise prices and exercise periods of the share options outstanding as at 31 December 2025 and 30 April 2026 are as follows:

	As at 31 December 2025	As at 30 April 2026
Numbers of share options	12,000,000	12,000,000
Exercise price (RMB)	1.5	1.5
The remaining exercise period (year)	2.79/3.79/4.79	2.46/3.46/4.46

The fair value of the share options was estimated as at the date of grant using binomial model, taking into account the terms and conditions upon which the awards were granted. The following table lists the inputs to the model used:

	At grant dates
Expected volatility	44.92%/43.65%/43.54%
Risk-free interest rate	1.45%/1.50%/1.55%
Expected life of options (year)	2.92/3.92/4.92

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

The total equity-settled share-based payments expenses recognised in profit or loss arising from the restricted shares and share options were RMB26,080,000, RMB35,682,000, RMB74,529,000, RMB41,058,000 and RMB15,773,000 during the years ended 31 December 2023, 2024 and 2025 and the four months ended 30 April 2025 and 2026, respectively.

35. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Details of the Group's subsidiary that have material non-controlling interests are set out below:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Percentage of equity interest held by non-controlling interests:				
Yangzhou Chiplet	71.95%	71.95%	71.95%	71.95%

	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*
Loss for the year/period allocated to non-controlling interests:					
Yangzhou Chiplet	(10,097)	(20,460)	(45,923)	(7,989)	(23,862)

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Accumulated balances of non-controlling interests at the reporting date:				
Yangzhou Chiplet	121,443	324,983	441,060	497,198

The following tables illustrate the summarised financial information of the above subsidiary. The amounts disclosed are before any inter-company eliminations:

	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	94	528	7,973	–	16,660
Total expenses	(14,127)	(28,963)	(71,799)	(11,103)	(49,823)
Total comprehensive loss for the year/period	(14,033)	(28,435)	(63,826)	(11,103)	(33,163)
Net cash flows used in operating activities	(7,413)	(15,623)	(38,078)	(6,471)	(22,494)
Net cash flows used in investing activities	(158,803)	(207,148)	(186,172)	(50,344)	(89,854)
Net cash flows from financing activities	166,617	234,000	226,000	130,000	109,811
Net increase/(decrease) in cash and cash equivalents	401	11,229	1,750	73,185	(2,537)

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current assets	35,826	91,716	146,179	159,249
Non-current assets	249,584	562,485	909,749	912,169
Current liabilities	17,890	179,618	416,976	371,354
Non-current liabilities	12,531	12,277	13,512	26,938

36. NOTE 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 2025 and 2026, the Group had non-cash additions to right-of-use assets of RMB642,000, RMB988,000, RMB2,578,000, nil and nil, respectively, in respect of lease arrangements for buildings with the responding same amounts of lease liabilities.

The Company has endorsed certain bills receivable accepted in the Chinese mainland to certain of its suppliers in order to settle the trade and other payables due to such suppliers with carrying amounts of RMB34,177,000, RMB59,281,000, RMB114,337,000, RMB29,693,000 and RMB30,373,000, of which non-cash additions to property, plant and equipment and other intangible assets were RMB13,984,000, RMB21,194,000, RMB91,222,000, RMB24,739,000 and RMB16,935,000 during the years ended 31 December 2023, 2024 and 2025 and the four months ended 30 April 2025 and 2026, respectively.

(b) Changes in liabilities arising from financing activities

	Interest-bearing bank and other borrowings	Lease liabilities	Redemption liability on equity shares	Included in other payables and accruals
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023	383,768	73,656	1,360,495	–
Cash flows from financing activities	172,978	(14,551)	421,475	–
Interest expense	19,184	2,819	66,499	–
New leases	–	642	–	–
Non-cash changes	–	–	209,190	–
At 31 December 2023 and 1 January 2024	575,930	62,566	2,057,659	–
Cash flows from financing activities	14,518	(26,226)	216,000	–
Interest expense	24,009	2,318	103,028	–
New leases	–	988	–	–
Non-cash changes	–	–	48,222	–
At 31 December 2024 and 1 January 2025	614,457	39,646	2,424,909	–

	Interest-bearing bank and other borrowings	Lease liabilities	Redemption liability on equity shares	Included in other payables and accruals
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cash flows from financing activities	320,820	(500)	345,000	(314)
Interest expense	26,539	1,860	124,957	314
New leases	–	2,578	–	–
Non-cash changes	–	–	69,901	–
At 31 December 2025	961,816	43,584	2,964,767	–
At 31 December 2024 and 1 January 2025	614,457	39,646	2,424,909	–
Cash flows from financing activities (unaudited)	(43,947)	–	–	–
Interest expense (unaudited)	7,815	613	35,439	–
At 30 April 2025 (unaudited)	578,325	40,259	2,460,348	–
At 31 December 2025 and 1 January 2026	961,816	43,584	2,964,767	–
Cash flows from financing activities	210,737	–	–	(110)
Interest expense	11,768	457	43,809	110
At 30 April 2026	1,184,321	44,041	3,008,576	–

(c) Total cash outflows for leases

The total cash outflows for leases included in the statements of cash flows 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*
Within operating activities	8,501	15,108	15,034	4,837	8,339
Within financing activities	14,551	26,226	500	–	–
Within investing activities	25,596	–	35,109	–	–
Total	48,648	41,334	50,643	4,837	8,339

Further details of the total cash outflows for sale and leaseback transactions are included in note 14 to the Historical Financial Information.

37. CONTINGENT LIABILITIES

The Company is currently a defendant in a lawsuit brought by a supplier alleging that the Company breached the relevant contract with a maximum compensation amount of RMB12,504,000. In June 2026, the court handed down a judgment in favour of the Company ruling that no compensation was payable. The plaintiff filed an appeal in July 2026, which is currently under trial. The directors, based on the advice from the Company's legal counsel, believe that the Company has a valid defence against the allegation and, accordingly, the Company has not made any provision for the claim arising from the litigation, other than the related legal and other costs.

38. COMMITMENTS

The Group had the following capital commitments at the end of each of the Relevant Periods:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Contracted, but not provided for:				
Property, plant and equipment	418,422	282,984	466,366	597,289
Other Intangible assets	9,756	7,814	–	–
Total	428,178	290,798	466,366	597,289

39. RELATED PARTY TRANSACTIONS

(a) Names of related parties and relationship with the Group

Names of related parties	Relationship with the Company
Mr. Zhang Guodong	Executive director, shareholder of the Company
Mr. Pan Mingdong	Executive director, shareholder of the Company
Mr. Liu Yi	Executive director, shareholder of the Company
Ms. Wang Linxia	The spouse of Mr. Zhang Guodong
Mr. Long Xinjiang	Executive director of the Group
Ms. Jin Chengru	The spouse of Mr. Pan Mingdong
Ms. Gu Jingye	The spouse of Mr. Long Xinjiang
Mr. Zhang Zhong	Senior management of the Group
Ms. Zhang Lanying	The spouse of Mr. Zhang Zhong
Jiangsu Changjing Electronics Technology Co., Ltd. and its subsidiary ("**Changjing Technology**")	A company whose directors serve as directors of the Company
Jiangsu Qianhe Microelectronics Co., Ltd. ("**Jiangsu Qianhe**")	A company whose member of key management personnel serves as supervisor of the Company
JIADONG TECHNOLOGY CO., LIMITED ("**JIADONG**")	A company controlled by the ultimate beneficial owner of a shareholder
Tianxin Electronic Technology (Jiangyin) Co., Ltd. and its subsidiary ("**Tianxin Technology**")	A company controlled by the ultimate beneficial owner of a shareholder
Nanjing Changxin*	A joint venture

* Nanjing Changxin was no longer a related company since September 2024.

(b) Transactions with related parties

	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*
Sale of goods or provision of services to:					
Changjing Technology	2,812	2,318	1,163	539	–
Jiangsu Qianhe	9,853	9,892	7,736	3,179	1,735
JIADONG	2,102	8,117	1,209	44	–
Tianxin Technology	20,640	2,196	9,038	5,606	1,615
Total	35,407	22,523	19,146	9,368	3,350
Purchase of goods or receipt of services from:					
Changjing Technology	389	548	4,483	80	–
Tianxin Technology	30	–	–	–	–
Total	419	548	4,483	80	–
Interest expense:					
Tianxin Technology	–	–	65	39	–
Loans from a related party:					
Tianxin Technology	–	–	25,000	15,000	–
Repayment of principal and interest of loans from a related party:					
Tianxin Technology	–	–	25,065	15,039	–
Disposal of a joint venture:					
Changjing Technology	–	10,000	–	–	–
Loans to directors:					
Mr. Liu Yi	2,600	–	–	–	–
Total	2,600	–	–	–	–

	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*
Receipt of loans to directors:					
Mr. Zhang Guodong	3,731	–	–	–	–
Mr. Pan Mingdong	6,225	–	–	–	–
Mr. Liu Yi	2,600	–	–	–	–
Total	12,556	–	–	–	–

The above purchase and sales of products were made according to terms agreed between the parties.

(c) Other transactions with related parties

Guarantor	Year ended 31 December 2023			
	Guaranteed amounts	Start year	End year	Maturity or not
	RMB'000			
Mr. Zhang Guodong and Mr. Pan Mingdong	19,958	2022	2023	Yes
Mr. Zhang Guodong	25,000	2022	2023	Yes
Mr. Zhang Guodong, Ms. Wang Linxia, Mr. Pan Mingdong, Ms. Jin Chengru, Mr. Zhang Zhong, Ms. Zhang Lanying, Mr. Long Xinjiang and Ms. Gu Jingye	85,000	2022	2025	RMB53,466,000 of which was not due
Mr. Zhang Guodong and Mr. Pan Mingdong	40,000	2023	2024	Not yet
Mr. Zhang Guodong	22,000	2023	2024	Not yet
Mr. Zhang Guodong	57,159	2023	2024	Not yet
Mr. Zhang Guodong, Ms. Wang Linxia, Mr. Pan Mingdong and Ms. Jin Chengru	10,000	2023	2024	Not yet
Mr. Zhang Guodong and Ms. Wang Linxia	50,000	2023	2024	Not yet
Mr. Zhang Guodong	20,000	2023	2024	Not yet
Mr. Zhang Guodong	30,000	2023	2025	Not yet
Mr. Zhang Guodong	50,000	2023	2026	Not yet

Guarantor	Year ended 31 December 2024			
	Guaranteed amounts	Start year	End year	Maturity or not
	RMB'000			
Mr. Zhang Guodong, Ms. Wang Linxia, Mr. Pan Mingdong, Ms. Jin Chengru, Mr. Zhang Zhong, Ms. Zhang Lanying, Mr. Long Xinjiang and Ms. Gu Jingye	85,000	2022	2025	RMB25,415,000 of which was not due
Mr. Zhang Guodong and Mr. Pan Mingdong	40,000	2023	2024	Yes
Mr. Zhang Guodong	22,000	2023	2024	Yes
Mr. Zhang Guodong	57,159	2023	2024	Yes
Mr. Zhang Guodong, Ms. Wang Linxia, Mr. Pan Mingdong and Ms. Jin Chengru	10,000	2023	2024	Yes
Mr. Zhang Guodong and Ms. Wang Linxia	50,000	2023	2024	Yes
Mr. Zhang Guodong	20,000	2023	2024	Yes
Mr. Zhang Guodong	30,000	2023	2025	Not yet
Mr. Zhang Guodong	50,000	2023	2026	Not yet
Mr. Zhang Guodong	44,777	2024	2024	Yes
Mr. Zhang Guodong	38,063	2024	2025	RMB37,913,000 of which was not due

Guarantor	Year ended 31 December 2024			
	Guaranteed amounts	Start year	End year	Maturity or not
	RMB'000			
Mr. Zhang Guodong and Mr. Pan Mingdong	40,000	2024	2025	Not yet
Mr. Zhang Guodong	21,000	2024	2025	Not yet
Mr. Zhang Guodong	30,000	2024	2025	Not yet
Mr. Zhang Guodong, Ms. Wang Linxia, Mr. Pan Mingdong and Ms. Jin Chengru	10,000	2024	2025	Not yet
Mr. Zhang Guodong and Ms. Wang Linxia	90,000	2024	2025	Not yet
Mr. Zhang Guodong and Mr. Pan Mingdong	30,000	2024	2025	Not yet
Mr. Zhang Guodong, Mr. Pan Mingdong and Mr. Liu Yi	50,000	2024	2027	RMB38,172,000 of which was not due

Guarantor	Year ended 31 December 2025			
	Guaranteed amounts	Start year	End year	Maturity or not
	RMB'000			
Mr. Zhang Guodong, Ms. Wang Linxia, Mr. Pan Mingdong, Ms. Jin Chengru, Mr. Zhang Zhong, Ms. Zhang Lanying, Mr. Long Xinjiang and Ms. Gu Jingye	85,000	2022	2025	Yes
Mr. Zhang Guodong	30,000	2023	2025	Yes
Mr. Zhang Guodong	38,063	2024	2025	Yes
Mr. Zhang Guodong and Mr. Pan Mingdong	40,000	2024	2025	Yes
Mr. Zhang Guodong	21,000	2024	2025	Yes
Mr. Zhang Guodong	30,000	2024	2025	Yes
Mr. Zhang Guodong, Ms. Wang Linxia, Mr. Pan Mingdong and Ms. Jin Chengru	10,000	2024	2025	Yes
Mr. Zhang Guodong and Ms. Wang Linxia	90,000	2024	2025	Yes
Mr. Zhang Guodong and Mr. Pan Mingdong	30,000	2024	2025	Yes
Mr. Zhang Guodong, Ms. Wang Linxia, Mr. Pan Mingdong and Mr. Long Xinjiang	30,000	2025	2026	Not yet
Mr. Zhang Guodong	40,000	2025	2026	Not yet
Mr. Zhang Guodong and Ms. Wang Linxia	100,000	2025	2026	Not yet
Mr. Zhang Guodong and Ms. Wang Linxia	103,000	2025	2028	Not yet
Mr. Zhang Guodong and Ms. Wang Linxia	30,000	2024	2026	RMB29,600,000 of which was not due
Mr. Zhang Guodong and Mr. Pan Mingdong	71,110	2025	2029	RMB67,550,000 of which was not due
Mr. Zhang Guodong and Mr. Pan Mingdong	40,000	2025	2026	Not yet
Mr. Zhang Guodong and Mr. Pan Mingdong	20,000	2025	2026	Not yet
Mr. Zhang Guodong	50,000	2025	2027	Not yet
Mr. Zhang Guodong	50,000	2023	2026	RMB50,000,000 of which was not due
Mr. Zhang Guodong, Mr. Pan Mingdong and Mr. Liu Yi	50,000	2024	2027	RMB25,775,000 of which was not due
Mr. Zhang Guodong and Ms. Wang Linxia	133,700	2025	2028	RMB118,392,000 of which was not due
Mr. Zhang Guodong and Ms. Wang Linxia	30,000	2024	2025	Yes

Guarantor	Year ended 31 December 2025			
	Guaranteed amounts	Start year	End year	Maturity or not
	RMB'000			
Mr. Zhang Guodong and Ms. Wang Linxia	20,000	2025	2026	Not yet
Mr. Zhang Guodong and Mr. Pan Mingdong	25,000	2025	2026	Not yet
Mr. Zhang Guodong	22,000	2025	2026	Not yet
Mr. Zhang Guodong and Mr. Pan Mingdong	10,000	2025	2026	Not yet
Mr. Zhang Guodong	10,000	2025	2026	Not yet

Guarantor	Four months ended 30 April 2025 (unaudited)			
	Guaranteed amounts	Start year	End year	Maturity or not
	RMB'000			
Mr. Zhang Guodong, Ms. Wang Linxia, Mr Pan Mingdong, Ms. Jin Chengru, Mr. Zhan Zhong, Ms. Zhang Lanying, Mr. Long Xinjiang and Ms. Gu Jingye	85,000	2022	2025	RMB18,220,000 of which was not due
Mr. Zhang Guodong	30,000	2025	2026	Not yet
Mr. Zhang Guodong	21,000	2024	2025	Not yet
Mr. Zhang Guodong	100,000	2023	2026	RMB65,000,000 of which was not due
Mr. Zhang Guodong and Mr. Pan Mingdong	18,900	2025	2026	Not yet
Mr. Zhang Guodong and Mr. Pan Mingdong	20,000	2024	2025	Not yet
Mr. Zhang Guodong and Mr. Pan Mingdong	46,594	2025	2029	Not yet
Mr. Zhang Guodong and Mr. Pan Mingdong	5,216	2025	2029	Not yet
Mr. Zhang Guodong and Ms. Wang Linxia	5,000	2025	2025	Not yet
Mr. Zhang Guodong and Ms. Wang Linxia	30,000	2025	2026	Not yet
Mr. Zhang Guodong and Ms. Wang Linxia	40,000	2025	2026	Not yet
Mr. Zhang Guodong and Ms. Wang Linxia	20,000	2024	2025	Not yet
Mr. Zhang Guodong and Ms. Wang Linxia	10,000	2025	2026	Not yet
Mr. Zhang Guodong and Ms. Wang Linxia	20,000	2025	2026	Not yet
Mr. Zhang Guodong and Ms. Wang Linxia	10,000	2025	2026	Not yet
Mr. Zhang Guodong and Ms. Wang Linxia	19,900	2025	2026	Not yet
Mr. Zhang Guodong, Ms. Wang Linxia, Mr. Pan Mingdong and Ms. Jin Chengru	10,000	2024	2025	Not yet
Mr. Zhang Guodong, Mr. Pan Mingdong and Mr. Liu Yi	50,000	2024	2027	RMB34,323,000 of which was not due

Guarantor	Four months ended 30 April 2026			
	Guaranteed amounts	Start year	End year	Maturity or not
	RMB'000			
Mr. Zhang Guodong, Ms. Wang Linxia, Mr. Pan Mingdong and Mr. Long Xinjiang	30,000	2025	2026	Not yet
Mr. Zhang Guodong	100,000	2023	2026	RMB25,000,000 of which was not due
Mr. Zhang Guodong and Ms. Wang Linxia	30,000	2025	2026	Yes
Mr. Zhang Guodong and Mr. Pan Mingdong	25,000	2025	2026	Not yet
Mr. Zhang Guodong	50,000	2025	2027	RMB45,000,000 of which was not due
Mr. Zhang Guodong and Ms. Wang Linxia	100,000	2025	2026	Not yet
Mr. Zhang Guodong and Ms. Wang Linxia	103,000	2025	2028	Not yet
Mr. Zhang Guodong and Ms. Wang Linxia	16,000	2026	2028	Not yet
Mr. Zhang Guodong and Mr. Pan Mingdong	20,000	2025	2026	Yes
Mr. Zhang Guodong and Mr. Pan Mingdong	20,000	2025	2026	Not yet
Mr. Zhang Guodong and Mr. Pan Mingdong	10,000	2025	2026	Not yet
Mr. Zhang Guodong and Mr. Pan Mingdong	20,000	2025	2026	Not yet
Mr. Zhang Guodong and Mr. Pan Mingdong	71,110	2025	2029	RMB67,550,000 of which was not due
Mr. Zhang Guodong and Mr. Pan Mingdong	3,520	2025	2029	Not yet
Mr. Zhang Guodong	30,000	2025	2026	Yes
Mr. Zhang Guodong	10,000	2025	2026	Not yet
Mr. Zhang Guodong	10,000	2025	2026	Not yet
Mr. Zhang Guodong	22,000	2025	2026	Not yet
Mr. Zhang Guodong	30,000	2026	2028	Not yet
Mr. Zhang Guodong, Mr. Pan Mingdong and Mr. Liu Yi	50,000	2024	2027	RMB17,764,000 of which was not due
Mr. Zhang Guodong and Ms. Wang Linxia	133,700	2025	2028	RMB98,702,000 of which was not due

Details of the balances of borrowings guaranteed by related parties are set out in note 28 to the Historical Financial Information.

(d) Outstanding balances with related parties

The Group

Balances relating to trade activities:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills receivables				
Changjing Technology	4,130	3,448	215	–
Jiangsu Qianhe	6,875	5,562	2,438	1,990
JIADONG	–	175	951	–
Tianxin Technology	2,100	1,451	1,634	1,403
Contract liabilities				
JIADONG	8,794	1,688	–	32
Tianxin Technology	1,470	1,653	1,754	1,821

Balances relating to non-trade activities:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Other receivables and other assets				
Changjing Technology	653	1,764	–	–
Other payables and accruals				
Changjing Technology	183	170	–	–
Nanjing Changxin	3,748	–	–	–
Tianxin Technology	55	–	–	–

The Company

Balances relating to trade activities:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills payables				
Due to a subsidiary	–	–	73	19,023
Other receivables and other assets				
Due from a subsidiary	11,702	58,862	15,939	25,299

Balances relating to non-trade activities:

	As at 31 December			As at 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Other receivables and other assets				
Due from a subsidiary*	–	–	4,000	4,024

* The amount due from the subsidiary as at 30 April 2026 was fully settled in July 2026.

(e) 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*
Salaries, allowances and benefits in kind	8,358	7,114	8,778	2,925	2,841
Performance-related bonuses	175	175	–	–	–
Share-based payment expenses	13,456	12,881	38,797	23,448	5,762
Pension scheme contributions and social welfare	720	713	712	238	238
Total compensation paid to key management personnel	22,709	20,883	48,287	26,611	8,841

The compensation information above includes the directors' remunerations. Further details of the directors' remunerations are included in note 8 to the Historical Financial Information.

40. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of the categories of financial instruments as at the end of each Relevant Periods are as follows:

Financial assets

As at 31 December 2023

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss *(note 23)*	85,414	–	–	85,414
Derivative financial instruments *(note 24)*	9,026	–	–	9,026
Trade and bills receivables *(note 20)*	–	–	146,157	146,157
Financial assets included in prepayment, deposits and other receivables	–	–	2,122	2,122
Debt investments at fair value through other comprehensive income *(note 22)*	–	1,955	–	1,955
Restricted cash *(note 25)*	–	–	32,811	32,811
Cash and bank balances *(note 25)*	–	–	163,695	163,695
Total	94,440	1,955	344,785	441,180

As at 31 December 2024

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss *(note 23)*	26,183	–	–	26,183
Derivative financial instruments *(note 24)*	4,276	–	–	4,276
Trade and bills receivables *(note 20)*	–	–	168,216	168,216
Financial assets included in prepayment, deposits and other receivables	–	–	1,646	1,646
Debt investments at fair value through other comprehensive income *(note 22)*	–	4,001	–	4,001
Restricted cash *(note 25)*	–	–	7,023	7,023
Pledged deposits *(note 25)*	–	–	11,741	11,741
Cash and bank balances *(note 25)*	–	–	83,166	83,166
Total	30,459	4,001	271,792	306,252

As at 31 December 2025

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss *(note 23)*	90,482	–	–	90,482
Derivative financial instruments *(note 24)*	3,397	–	–	3,397
Trade and bills receivables *(note 20)*	–	–	205,885	205,885
Financial assets included in prepayment, deposits and other receivables	–	–	1,051	1,051
Debt investments at fair value through other comprehensive income *(note 22)*	–	1,264	–	1,264
Restricted cash *(note 25)*	–	–	14,587	14,587
Pledged deposits *(note 25)*	–	–	12,000	12,000
Cash and bank balances *(note 25)*	–	–	143,698	143,698
Total	93,879	1,264	377,221	472,364

As at 30 April 2026

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss *(note 23)*	35,788	–	–	35,788
Derivative financial instruments *(note 24)*	2,519	–	–	2,519
Trade and bills receivables *(note 20)*	–	–	200,054	200,054
Financial assets included in prepayment, deposits and other receivables	–	–	13,354	13,354
Debt investments at fair value through other comprehensive income *(note 22)*	–	4,989	–	4,989
Restricted cash *(note 25)*	–	–	2,037	2,037
Pledged deposits *(note 25)*	–	–	37,705	37,705
Cash and bank balances *(note 25)*	–	–	113,064	113,064
Total	38,307	4,989	366,214	409,510

Financial liabilities

As at 31 December 2023

	Financial liabilities at amortised cost
	RMB'000
Trade and bills payables *(note 26)*	110,016
Financial liabilities included in other payables and accruals	390,021
Interest-bearing bank and other borrowings *(note 28)*	575,930
Redemption liabilities on equity shares *(note 29)*	2,057,659
Total	3,133,626

As at 31 December 2024

	Financial liabilities at amortised cost
	RMB'000
Trade and bills payables *(note 26)*	151,067
Financial liabilities included in other payables and accruals	527,842
Interest-bearing bank and other borrowings *(note 28)*	614,457
Redemption liabilities on equity shares *(note 29)*	2,424,909
Total	3,718,275

As at 31 December 2025

	Financial liabilities at amortised cost
	RMB'000
Trade and bills payables *(note 26)*	196,455
Financial liabilities included in other payables and accruals	721,883
Interest-bearing bank and other borrowings *(note 28)*	961,816
Redemption liabilities on equity shares *(note 29)*	2,964,767
Total	4,844,921

As at 30 April 2026

	Financial liabilities at amortised cost
	RMB'000
Trade and bills payables *(note 26)*	180,644
Financial liabilities included in other payables and accruals	650,127
Interest-bearing bank and other borrowings *(note 28)*	1,184,321
Redemption liabilities on equity shares *(note 29)*	3,008,576
Total	5,023,668

41. TRANSFERS OF FINANCIAL ASSETS

Transferred financial assets that are not derecognised in their entirety

The Group endorsed certain bills receivable included in bills receivable, which were all accepted by banks in the Chinese mainland (the "**Endorsed Bills**") to certain suppliers in order to settle the trade and other payables due to such suppliers (the "**Endorsement**"). The aggregate amounts of the Endorsed Bills that were not due were RMB9,943,000, RMB290,000, RMB16,790,000 and RMB3,211,000 and the Group discounted certain bills receivable (the "**Discounted Bills**") with a carrying amount of nil, nil, RMB10,000,000 and RMB10,000,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively. 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 Discounted Bills, and accordingly, it continued to recognise the full carrying amounts of the Endorsed Bills and the associated trade payables settled, and the Discounted Bills and the associated interest-bearing borrowings 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

The Group endorsed certain bills receivable included in debt investments at fair value through other comprehensive income, which were accepted by banks in the Chinese mainland (the "**Derecognised Bills**") to certain suppliers in order to settle the trade and other payables due to such suppliers and certain unmatured discounted bills receivables. The aggregate amounts of the Derecognised Bills that were not due were RMB4,546,000, RMB26,232,000. RMB42,003,000 and RMB13,724,000 as at 31 December 2023, 2024 and 2025 and 30 April 2026, respectively. The Derecognised Bills had a maturity term from three to six months as at 31 December 2023, 2024 and 2025 and 30 April 2026. 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 Relevant Periods and the four months ended 30 April 2025, the Group has not recognised any gain or loss on the date of transfer of the Endorsed Bills. No gains or losses were recognised from the Continuing Involvement, both during the reporting period and cumulatively. The endorsement has been made evenly throughout the reporting period.

42. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts				Fair values			
	As at 31 December			As at 30 April	As at 31 December			As at 30 April
	2023	2024	2025	2026	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets								
Debt investments at fair value through other comprehensive income	1,955	4,001	1,264	4,989	1,955	4,001	1,264	4,989
Derivative financial instruments	9,026	4,276	3,397	2,519	9,026	4,276	3,397	2,519
Financial assets at fair value through profit or loss	85,414	26,183	90,482	35,788	85,414	26,183	90,482	35,788
Financial liabilities								
Non-current portion of interest-bearing bank and other borrowings	151,041	131,455	254,711	357,962	149,338	130,660	248,079	348,463
Other non-current liabilities	–	–	1,489	–	–	–	1,489	–
Redemption liabilities on equity shares	2,057,659	2,424,909	2,964,767	3,008,576	1,999,641	2,381,290	2,574,900	2,667,569

Management has assessed that the fair values of cash and cash equivalents, financial assets included in prepayments, other receivables and other assets, trade and bills receivables, financial liabilities included in trade and bills payables and other payables and accruals, and interest-bearing bank and other borrowings (current portion) approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Company's financial department headed by the financial manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At the reporting period, the financial department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The directors review the results of the fair value measurement of financial instruments periodically for financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portion of interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Company's own non-performance risk for interest-bearing bank and other borrowings, redemption liabilities on equity shares as at 31 December 2023, 2024 and 2025 and 30 April 2026 were assessed to be insignificant.

For the fair value of the redemption liabilities on equity shares, management has estimated the potential effect of using reasonably possible alternatives as inputs to the valuation model.

The fair value of the other non-current liabilities is estimated by discounting the expected future cash flows using the rate reflected the credit characteristics of Yangzhou Chiplet at contract inception. The carrying value has considered discounting effect and equals to its fair value.

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 31 December 2023, 2024 and 2025 and 30 April 2026:

As at 31 December 2023

	Valuation technique	Significant unobservable input	Range	Sensitivity of fair value to the input
Derivative financial instruments	Black-Scholes	Risk-free interest rate	2.36%	1% increase/decrease in risk-free interest rate would result in increase/decrease in fair value by RMB290,000/ RMB(288,000)
		Volatility	49%	1% increase/decrease in volatility would result in increase/decrease in fair value by RMB439,000/ RMB(446,000)

As at 31 December 2024

	Valuation technique	Significant unobservable input	Range	Sensitivity of fair value to the input
Derivative financial instruments	Black-Scholes	Risk-free interest rate	1.20%	1% increase/decrease in risk-free interest rate would result in increase/decrease in fair value by RMB179,000/ RMB(176,000)
		Volatility	44%	1% increase/decrease in volatility would result in increase/decrease in fair value by RMB303,000/ RMB(302,000)

As at 31 December 2025

	Valuation technique	Significant unobservable input	Range	Sensitivity of fair value to the input
Derivative financial instruments	Black-Scholes	Risk-free interest rate	1.35%	1% increase/decrease in risk-free interest rate would result in increase/decrease in fair value by RMB125,000/ RMB(123,000)
		Volatility	45%	1% increase/decrease in volatility would result in increase/decrease in fair value by RMB105,000/ RMB(105,000)

As at 30 April 2026

	Valuation technique	Significant unobservable input	Range	Sensitivity of fair value to the input
Derivative financial instruments	Black-Scholes	Risk-free interest rate	1.26%	1% increase/decrease in risk-free interest rate would result in increase/decrease in fair value by RMB90,000/RMB(88,000)
		Volatility	46%	1% increase/decrease in volatility would result in increase/decrease in fair value by RMB89,000/RMB(89,000)

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*
Debt investments at fair value through other comprehensive income	–	1,955	–	1,955
Derivative financial instruments	–	–	9,026	9,026
Financial assets at fair value through profit or loss	–	85,414	–	85,414

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*
Debt investments at fair value through other comprehensive income	–	4,001	–	4,001
Derivative financial instruments	–	–	4,276	4,276
Financial assets at fair value through profit or loss	–	26,183	–	26,183

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*
Debt investments at fair value through other comprehensive income	–	1,264	–	1,264
Derivative financial instruments	–	–	3,397	3,397
Financial assets at fair value through profit or loss	–	90,482	–	90,482

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*
Debt investments at fair value through other comprehensive income	–	4,989	–	4,989
Derivative financial instruments	–	–	2,519	2,519
Financial assets at fair value through profit or loss	–	35,788	–	35,788

Liabilities for which fair values are disclosed:

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*
Non-current portion of interest-bearing bank and other borrowings	–	149,338	–	149,338
Redemption liabilities on equity shares	–	1,999,641	–	1,999,641

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*
Non-current portion of interest-bearing bank and other borrowings	–	130,660	–	130,660
Redemption liabilities on equity shares	–	2,381,290	–	2,381,290

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*
Non-current portion of interest-bearing bank and other borrowings	–	248,079	–	248,079
Other non-current liabilities	–	1,489	–	1,489
Redemption liabilities on equity shares	–	2,574,900	–	2,574,900

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*
Non-current portion of interest-bearing bank and other borrowings	–	348,463	–	348,463
Redemption liabilities on equity shares	–	2,667,569	–	2,667,569

There were no transfers between level 2 and level 3 during the Relevant Periods.

43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise interest-bearing bank and other borrowings 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 pledged deposits, trade and bills receivables, financial assets included in prepayments, other receivables and other assets, trade payables and financial liabilities included in other payables and accruals which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of Directors reviews and agrees policies for managing each of these risks and they are summarised below:

(a) Interest rate risk

The Group's exposure to risk for changes in market interest rates relates primarily to the Group's interest-bearing bank and other borrowings with a floating rate set out in note 28. The Group does not use derivative financial instruments to hedge interest rate risk.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Company's profit before tax and the Company's equity.

	Increase/(decrease) in basis points	Increase/(decrease) in loss before tax	Increase/(decrease) in deficits*
		RMB'000	*RMB'000*
31 December 2023			
If interest rates increases	5	(111)	–
If interest rates decreases	(5)	111	–
31 December 2024			
If interest rates increases	5	(74)	–
If interest rates decreases	(5)	74	–
31 December 2025			
If interest rates increases	5	(90)	–
If interest rates decreases	(5)	90	–
30 April 2026			
If interest rates increases	5	(114)	–
If interest rates decreases	(5)	114	–

* Excluding accumulated loss

(b) Foreign currency risk

The Group principally conducted business in RMB and is exposed to foreign currency risk with respect to transactions denominated in currencies other than RMB. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currencies that are not the functional currencies of the relevant group entities.

	Increase/(decrease) in rate of foreign currency	Increase/(decrease) in loss before tax	Increase /(decrease) in equity*
	%	*RMB'000*	*RMB'000*
31 December 2023			
If RMB weakens against USD	5	(5,546)	–
If RMB strengthens against USD	(5)	5,546	–
If RMB weakens against HKD	5	(3,806)	–
If RMB strengthens against HKD	(5)	3,806	–
31 December 2024			
If RMB weakens against USD	5	(7,005)	–
If RMB strengthens against USD	(5)	7,005	–
31 December 2025			
If RMB weakens against USD	5	(693)	–
If RMB strengthens against USD	(5)	693	–
30 April 2026			
If RMB weakens against USD	5	(1,783)	–
If RMB strengthens against USD	(5)	1,783	–

* Excluding accumulated losses

(c) Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis.

Maximum exposure and period-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and period-end staging classification as at 31 December 2023, 2024 and 2025 and 30 April 2026.

The amounts presented are gross carrying amounts for financial assets.

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*	–	–	–	150,445	150,445
Financial assets included in prepayments, other receivables and other assets					
– Normal**	2,143	–	–	–	2,143
Debt investments at fair value through other comprehensive income	1,955	–	–	–	1,955
Restricted cash					
– Not yet past due	32,811	–	–	–	32,811
Cash and cash equivalents					
– Not yet past due	163,695	–	–	–	163,695
Total	200,604	–	–	150,445	351,049

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*	–	–	–	176,312	176,312
Financial assets included in prepayments, other receivables and other assets					
– Normal**	1,677	–	–	–	1,677
Debt investments at fair value through other comprehensive income	4,001	–	–	–	4,001
Restricted cash					
– Not yet past due	7,023	–	–	–	7,023
Pledged deposits					
– Not yet past due	11,741	–	–	–	11,741
Cash and cash equivalents					
– Not yet past due	83,166	–	–	–	83,166
Total	107,608	–	–	176,312	283,920

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*	–	–	–	212,399	212,399
Financial assets included in prepayments, other receivables and other assets					
– Normal**	1,059	–	–	–	1,059
Debt investments at fair value through other comprehensive income	1,264	–	–	–	1,264
Restricted cash					
– Not yet past due	14,587	–	–	–	14,587
Pledged deposits					
– Not yet past due	12,000	–	–	–	12,000
Cash and cash equivalents					
– Not yet past due	143,698	–	–	–	143,698
Total	172,608	–	–	212,399	385,007

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*	–	–	–	208,272	208,272
Financial assets included in prepayments, other receivables and other assets					
– Normal**	13,362	–	–	–	13,362
Debt investments at fair value through other comprehensive income	4,989	–	–	–	4,989
Restricted cash					
– Not yet past due	2,037	–	–	–	2,037

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Pledged deposits					
– Not yet past due	37,705	–	–	–	37,705
Cash and cash equivalents					
– Not yet past due	113,064	–	–	–	113,064
Total	171,157	–	–	208,272	379,429

* For trade and bills receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix and exposure to credit risk is disclosed in note 20 to the Historical Financial Information.

** The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

(d) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank and other borrowings. Cash flows are closely monitored on an ongoing basis.

The maturity profile of the Group's financial liabilities as at the end of each of the Relevant Periods, based on contractual undiscounted payments, is as follows:

The Group

	31 December 2023				
	On demand or less than 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills payables	110,016	–	–	–	110,016
Financial liabilities included in other payables and accruals	390,021	–	–	–	390,021
Interest-bearing bank and other borrowings	439,629	98,119	58,151	–	595,899
Lease liabilities	25,723	12,862	19,292	12,862	70,739
Redemption liabilities	–	–	2,344,479	–	2,344,479
Total	965,389	110,981	2,421,922	12,862	3,511,154

	31 December 2024				
	On demand or less than 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills payables	151,067	–	–	–	151,067
Financial liabilities included in other payables and accruals	527,842	–	–	–	527,842
Interest-bearing bank and other borrowings	495,720	113,119	22,334	–	631,173
Lease liabilities	13,362	6,431	19,292	6,431	45,516
Redemption liabilities	–	2,649,099	–	–	2,649,099
Total	1,187,991	2,768,649	41,626	6,431	4,004,697

	31 December 2025				
	On demand or less than 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills payables	196,455	–	–	–	196,455
Financial liabilities included in other payables and accruals	721,032	1,510	–	–	722,542
Interest-bearing bank and other borrowings	715,783	192,142	72,184	–	980,109
Lease liabilities	21,059	7,352	19,292	–	47,703
Redemption liabilities	–	–	3,390,529	–	3,390,529
Total	1,654,329	201,004	3,482,005	–	5,337,338

	30 April 2026				
	On demand or less than 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade and bills payables	180,644	–	–	–	180,644
Financial liabilities included in other payables and accruals	650,265	–	–	–	650,265
Interest-bearing bank and other borrowings	830,587	271,435	100,748	–	1,202,770
Lease liabilities	27,489	7,352	12,862	–	47,703
Redemption liabilities	–	–	3,390,529	–	3,390,529
Total	1,688,985	278,787	3,504,139	–	5,471,911

(e) Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital 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.

44. EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the end of the Relevant Periods that require additional disclosure or adjustments.

45. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of the subsidiaries in respect of any period subsequent to 30 April 2026.

The following information does not form part of the Accountants' Report from Ernst & Young, Certified Public Accountants, Hong Kong, the Company's Reporting Accountants, as set out in Appendix I to this prospectus, and is included herein for information purposes only. The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this prospectus and the Accountants' Report set out in Appendix I to this prospectus.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group has been prepared in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with reference to Accounting Guideline 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants for illustrative purposes only, and is set out here to illustrate the effect of the (i) Global Offering and (ii) derecognition of redemption liabilities on equity shares on the consolidated net tangible liabilities of the Group attributable to owners of the Company as at 30 April 2026 as if the Global Offering had taken place on 30 April 2026.

The unaudited pro forma statement of adjusted net consolidated tangible assets of the Group attributable to owners of the Company has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group had the Global Offering been completed as at 30 April 2026 or any future date.

	Consolidated net tangible liabilities of the Group attributable to the owners of the Company as at 30 April 2026	**Estimated net proceeds from the Global Offering**	**Estimated impact related to the consolidated net tangible liabilities of the Group upon the derecognition of redemption liabilities on equity shares upon Listing**	**Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 April 2026**	**Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 30 April 2026**	
	RMB'000 (note 1)	*RMB'000 (note 2)*	*RMB'000 (note 3)*	*RMB'000*	*RMB (note 4)*	*HK$ (note 5)*
Based on an Offer Price of HK$8.60 per Share	(1,813,689)	741,046	3,008,576	1,935,933	1.82	2.12
Based on an Offer Price of HK$9.60 per Share	(1,813,689)	829,538	3,008,576	2,024,425	1.90	2.22

Notes:

1. The consolidated net tangible liabilities of the Group attributable to owners of the Company as at 30 April 2026 is arrived at after deducting intangible assets of RMB18,218,000 (excluding the amount attributable to non-controlling interest of RMB2,043,000) from the consolidated net liabilities of the Group attributable to owners of the Company of RMB1,795,471,000 as at 30 April 2026, as shown in the Accountants' Report set out in Appendix I to this prospectus.

2. The estimated net proceeds from the Global Offering are based on estimated Offer Prices of HK$8.60 or HK$9.60 per Share, being the low and high end of the indicative Offer Price range, respectively, after deduction of the underwriting fees and other related expenses (excluding the Listing expenses of RMB10,997,000 which have been charged to profit of loss during the Track Record Period) and do not take into account of any Shares to be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme.

3. Upon the Listing and the completion of the Global Offering, all redemption liabilities on equity shares will be automatically derecognised. The redemption liabilities on equity shares will then be reclassified from liabilities to equity. Accordingly, for the purpose of the unaudited pro forma statement of adjusted consolidated net tangible assets, had the derecognition of redemption liabilities on equity shares of the Company been completed as at 30 April 2026, the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company will be increased by RMB3,008,576,000, being the carrying amounts of the redemption liabilities on equity shares as at 30 April 2026.

4. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share is calculated based on 1,065,624,232 Shares in issue, assuming derecognition of redemption liabilities on equity shares of the Company and the Global Offering had been completed on 30 April 2026, without taking into account of any Shares to be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme.

5. For the purpose of this unaudited pro forma statement of adjusted consolidated net tangible assets, the balances stated in Renminbi are converted into Hong Kong dollars at an exchange rate of HK$1 to RMB0.85619. No representation is made that the Hong Kong dollar amounts have been, could have been or may be converted to Renminbi, or vice versa, at that rate.

6. No other adjustments have been made to the unaudited pro forma adjusted consolidated net tangible assets of the Group to reflect any trading results or other transactions of the Group entered into subsequent to 30 April 2026.

The following is the text of a report, prepared for the purpose of incorporation in this Prospectus, received from our reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong, in respect of the unaudited pro forma financial information.



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B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the Directors of Jiangsu Xinde Semiconductor Technology Co., Ltd.

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Jiangsu Xinde Semiconductor Technology Co., Ltd. (the "**Company**") and its subsidiaries (hereinafter collectively referred to as the "**Group**") by the directors of the Company (the "**Directors**") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated net tangible assets as at 30 April 2026, and related notes as set out on pages II-1 to II-2 of the prospectus dated 30 October 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 II.

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 as issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of the Unaudited Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the global offering of shares of the Company on unadjusted financial information of the Group as if the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the transaction would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Ernst&Young
Certified Public Accountants
Hong Kong
30 October 2026

TAXATION OF SECURITY HOLDERS

Income tax and capital gains tax of holders of the H shares is subject to the laws and practices of the PRC and of jurisdictions in which holders of the H shares are resident or otherwise subject to tax. The following summary of certain relevant taxation provisions is based on current laws and practices, and has not taken in to account the expected change or amendment to the relevant laws or policies and does not constitute any opinion or advice. The discussion does not deal with all possible tax consequences relating to an investment in the H shares, nor does it take into account the specific circumstances of any particular investor, some of which may be subject to special regulation. Accordingly, you should consult your own tax advisor regarding the tax consequences of an investment in the H shares. The discussion is based upon laws and relevant interpretations in effect as of the Latest Practicable Date, all of which are subject to change or adjustment and may have retrospective effect.

This discussion does not address any aspects of PRC taxation other than income tax, capital gains tax, value-added tax, stamp duty and estate duty. Prospective investors are urged to consult their financial advisers regarding the PRC and other tax consequences of owning and disposing of the H shares.

TAXATION IN THE PRC

Tax on Dividends

Individual Investors

According to the Individual Income Tax Law of the PRC (《中華人民共和國個人所得税法》) (the "**IIT Law**"), last amended by the SCNPC on August 31, 2018 and became effective on January 1, 2019, and the Implementation Rules of the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得税法實施條例》) amended by the State Council on December 18, 2018 and became effective on January 1, 2019, dividends paid by PRC companies to individual investors are ordinarily subject to a withholding income tax levied at a flat rate of 20%. Meanwhile, according to the Notice on Issues Relating to Differentiated Individual Income Tax Policies for Dividends and Bonuses of Listed Companies (《關於上市公司股息紅利差別化個人所得税政策有關問題的通知》) issued by the MOF, the STA and the CSRC on September 7, 2015 and became effective on September 8, 2015, for shares of listed companies obtained by individuals via public offerings and market transfer and held for more than one year, the income from dividends and bonuses thereof shall temporarily be exempt from individual income tax. For shares of listed companies obtained by individuals via public offerings and market transfer and held for less than one month (including one month), the income from dividends and bonuses thereof shall be fully included in the individual's taxable income amount; where the shares are held for a period from one month up to one year (including one year), 50% of the income from dividends and bonuses therefrom shall temporally be included in the individual's taxable income amount; the aforesaid income shall be subject to individual income tax based on 20% tax rate on a unified basis.

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

Enterprise Investors

Pursuant to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》) (the "**EIT Law**") promulgated by the SCNPC, last amended and became effective on December 29, 2018, and the Implementation Regulations for the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法實施條例》) last amended by the State Council on December 6, 2024 and became effective on January 20, 2025, a non-resident enterprise is subject to a 10% enterprise income tax on PRC-sourced income, including dividends paid by a PRC resident enterprise that issues and lists shares in Hong Kong, if such non-resident enterprise does not have an establishment or place of business in the PRC or has an establishment or premise in the PRC but the PRC-sourced income is not actually connected with such establishment or premise in the PRC. The aforesaid income tax payable by non-resident enterprises shall be withheld at source, and the payer shall be the withholding agent, and the tax shall be withheld by the withholding agent from the payment or due payment every time it is paid or due. Such tax may be reduced or exempted pursuant to an applicable treaty for the avoidance of double taxation.

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

According to the Arrangement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (《對所得避免雙重徵税和防止偷漏税的安排》), the PRC government may impose tax on dividends paid by a PRC company to a Hong Kong resident (including natural person and legal entity), but such tax shall not exceed 10% of the total dividends payable by the PRC company. If a Hong Kong resident directly holds 25% or more of equity interest in a PRC company and the Hong Kong resident is the beneficial owner of the dividends and meets other conditions, such tax shall not exceed 5% of the total dividends payable by the PRC company. The Fifth Protocol provides that such provisions shall not apply to arrangements or transactions made for one of the primary purposes of obtaining such tax benefits.

Tax Treaties

Non-resident investors residing in jurisdictions which have entered into treaties or arrangements for the avoidance of double taxation with the PRC might be entitled to a reduction of the Chinese corporate income tax imposed on the dividends received from PRC companies. Non-resident enterprises entitled to preferential tax rates in accordance with the relevant taxation treaties or arrangements are required to apply to the Chinese tax authorities for a refund of the corporate income tax in excess of the agreed tax rate, and the refund application is subject to approval by the Chinese tax authorities.

Tax on Gains from Share Transfer

Individual Investors

According to the IIT Law and its implementation rules, individuals are subject to individual income tax at the rate of 20% on gains realized on the sale of equity interests in PRC resident enterprises. Under the Circular of the MOF and the STA on Declaring that Individual Income Tax Continues to Be Exempted over Individual Income Tax from Transfer of Shares (Cai Shui Zi [1998] No.61) (《財政部、國家税務總局關於個人轉讓股票所得繼續暫免徵收個人所得税的通知》(財税字[1998]61號)) (the "**Circular 61**") issued by the MOF and the SAT on March 30, 1998, from January 1, 1997, gains of individuals from the transfer of shares of listed companies continue to be exempted from individual income tax. According to Announcement about the Catalog of Preferential Individual Income Tax Policies with Continued Effect (《財政部、國家税務總局關於繼續有效的個人所得税優惠政策目錄的公告》issued by the MOF and STA on December 29, 2018, the Circular 61 will continue to be effective.

However, the Circular on Relevant Issues Concerning the Collection of Individual Income Tax over the Income Received by Individuals from Transfer of Listed Shares Subject to Sales Restrictions (CaiShui [2009]No.167) (《關於個人轉讓上 市公司限售股所得徵收個人所得税有關問題的通知》(財税[2009]167號)) jointly issued by the MOF, the SAT and the CSRC on December 31, 2009 and became effective on January 1, 2010 states that individuals' income from the transfer of public offer shares of listed companies and shares listed on the Shanghai Stock Exchange and Shenzhen Stock Exchange shall continue to be exempted from individual income tax, except for the relevant shares which are subject to sales restrictions. As of the Latest Practicable Date, the aforesaid provision has not expressly provided that individual income tax shall be collected from non-PRC resident individuals on the transfer of shares of PRC resident enterprises listed on overseas stock exchanges.

Enterprise Investors

In accordance with the EIT Law and its implementation rules, a non-resident enterprise is generally subject to corporate income tax at the rate of a 10% on PRC-sourced income, including gains derived from the disposal of equity interests in a PRC resident enterprise, if it does not have an establishment or premise in the PRC or has an establishment or premise in the PRC but its PRC-sourced income has no real connection with such establishment or premise. Such income tax payable for non-resident enterprises are deducted at source, where the payer of the income is required to withhold the income tax from the amount to be paid to the non-resident enterprise. Such tax may be reduced or exempted pursuant to relevant tax treaties or agreements on avoidance of double taxation.

Taxation Policy of Shanghai-Hong Kong Stock Connect

Under the Notice of the Ministry of Finance, the State Administration of Taxation and the China Securities Regulatory Commission on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) (《財政部、國家税務總局、中國證券監督管理委員會關於滬港股票市場交易互聯互通機制試點有關税收政策的通知》(財税[2014]81號)) which became effective on November 17, 2014, for dividends and bonus obtained by mainland individual investors investing in H shares listed on the Hong Kong Stock Exchange (the "**HKSE**") through Shanghai-Hong Kong Stock Connect, the H-share companies shall apply to the China Securities Depository and Clearing Corporation Limited (the "**CSDC**") for provision by CSDC to the H-share companies register of individual investors in the PRC, and the H-share companies shall withhold individual income tax at the rate of 20%.

Income from share dividend derived by PRC corporate investors from investment in shares listed on the HKSE through the Shanghai-Hong Kong Stock Connect shall be included in their total income and be subject to enterprise income tax pursuant to the law. Income from share dividend derived by a PRC resident enterprise for holding H shares over 12 consecutive months shall be exempted from enterprise income tax pursuant to the law. The H shares company is not required to withhold income tax on share dividend for its PRC corporate investors, and the corporate investors shall make declaration and payment for the tax payable amount voluntarily.

Pursuant to the Announcement on Continuing the Implementation of the Individual Income Tax Policies Concerning the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and the Mutual Recognition of Funds between Chinese mainland and Hong Kong (《關於延續實施滬港、深港股票市場交易互聯互通機制和內地與香港基金互認有關個人所得稅政策的公告》) promulgated on August 21, 2023 and implemented on the same date, the transfer spread income derived by mainland individual investors from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect shall continue to be exempted from individual income tax until December 31, 2027.

Taxation Policy of Shenzhen-Hong Kong Stock Connect

Under the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016] No.127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)) which became effective on December 5, 2016, for dividends and bonus income obtained by mainland individual investors investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the H-share companies shall apply to CSDC for provision by CSDC to the H-share companies register of individual investors in the PRC, and individual income tax shall be withheld by H-share companies at the tax rate of 20%.

Income from dividends and bonuses derived by a corporate investor in the PRC from investment in shares listed on the HKSE through Shenzhen-Hong Kong Stock Connect shall be included in the total income amount, and subject to enterprise income tax pursuant to the law. Income from dividends and bonuses derived by a PRC resident enterprise for H shares held for 12 months consecutively shall be exempted from enterprise income tax pursuant to the law. The H shares company shall not withhold income tax on dividends and bonuses for corporate investors in the PRC, and the tax payable amount shall be declared and paid by the corporate investor.

Pursuant to the Announcement on Continuing the Implementation of the Individual Income Tax Policies Concerning the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and the Mutual Recognition of Funds between Chinese mainland and Hong Kong (《關於延續實施滬港、深港股票市場交易互聯互通機制和內地與香港基金互認有關個人所得稅政策的公告》) promulgated on August 21, 2023 and implemented on the same date, the transfer spread income derived by mainland individual investors from investing in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect shall continue to be exempted from individual income tax until December 31, 2027.

Stamp Duty

According to the Stamp Duty Law of the PRC (《中華人民共和國印花稅法》), which was promulgated on June 10, 2021 and became effective on July 1, 2022, PRC stamp duty only applies to specific taxable document executed or received within the PRC, having legally binding force in the PRC and protected under the PRC laws, thus the requirements of the stamp duty imposed on the transfer of shares of PRC listed companies shall not apply to the acquisition and disposal of H Shares by non-PRC investors outside of the PRC.

Estate Duty

As of the date of this document, no estate duty has been levied in the PRC under the PRC laws.

MAJOR TAXATION OF OUR COMPANY IN THE PRC

Enterprise Income Tax

According to the EIT Law and its implementation rules, all the domestic enterprises in China (including foreign-invested enterprises) shall be subject to enterprise income tax at the uniform tax rate of 25%.

According to the Administrative Measures for Determination of High and New Tech Enterprises (《高新技術企業認定管理辦法》), which was promulgated by the Ministry of Science and Technology, the MOF and the STA on April 14, 2008, amended on January 29, 2016 and became effective on January 1, 2016, an enterprise recognized as a high and new technology enterprise may apply for a preferential enterprise income tax rate of 15% pursuant to the relevant requirements of the Enterprise Income Tax Law.

Value-added Tax ("VAT")

According to the Provisional Regulations on VAT of the PRC (《中華人民共和國增值税暫行條例》) promulgated by the State Council and last amended and implemented on November 19, 2017 and the Implementation Rules of the Provisional Regulations on VAT of the PRC (《中華人民共和國增值税暫行條例實施細則》) promulgated by the MOF and last amended on October 28, 2011 and became effective on November 1, 2011, any entities and individuals engaged in sale of goods, provision of processing services, repairs and replacement services or importation of goods within the territory of the PRC are taxpayers of VAT and shall pay the VAT. Unless otherwise specified, the tax rate for taxpayers selling or importing goods and providing processing, repairing and replacement services within the territory of the PRC is 17%, and 11%, 6% and 0% under certain specific circumstances.

In accordance with Notice of the Ministry of Finance and the State Administration of Taxation on the Adjustment to VAT Rates (《財政部、税務總局關於調整增值税税率的通知》), which was promulgated on April 4, 2018 and became effective on May 1, 2018, the deduction rates of 17% or 11% applicable to the taxpayers who have VAT taxable sales activities or imported goods are adjusted to 16% or 10%.

According to Announcement on Policies for Deepening the VAT Reform (《關於深化增值税改革有關政策的公告》) promulgated by the MOF, the STA and the General Administration of Customs on March 20, 2019 and became effective from April 1, 2019, for general VAT payers' sales activities or imports that are subject to VAT at an existing applicable rate of 16% or 10%, the applicable VAT rate is adjusted to 13% or 9% respectively.

On December 25, 2024, the SCNPC promulgated the VAT Law of the PRC (《中華人民共和國增值税法》) (the "**VAT Law**"), which became effective on January 1, 2026, and the Provisional Regulations on VAT of the PRC shall be repealed at the same time. Pursuant to the VAT Law, entities and individuals (including individual industrial and commercial households) that sell goods, services, intangible assets and immovable properties, and import goods within the territory of the PRC are taxpayers of VAT and shall pay the VAT in accordance with the provisions of this law. Unless otherwise specified, the tax rate for taxpayers selling goods, providing processing, repair and replacement services and tangible movable property leasing services and importing goods within the territory of the PRC is 13%, and 9%, 6% and 0% under certain specific circumstances.

Preferential Tax Policy for the Integrated Circuit Industry

As listed in the Guidance of Preferential Tax Policy for Software Enterprises and Integrated Circuit Enterprises (《軟件企業和集成電路企業税費優惠政策指引》issued by the STA in May 21, 2022, the integrated circuit industry enjoys a variety of tax preferences. Enterprises for integrated circuit design, equipment, materials, packaging and testing encouraged by the State, for example,

can enjoy regular exemption or reduction of the enterprise income tax; key integrated circuit design enterprises encouraged by the State can enjoy the regular exemption or reduction of enterprise income tax; staff training expenses of integrated circuit design enterprises can be deducted before tax according to the actual amount incurred.

According to the Notice of the State Council on Promulgation of Several Policies for Promoting the High-quality Development of Integrated Circuit and Software Industries in the New Era (Guo Fa [2020] No.8) (《國務院關於印發新時期促進集成電路產業和軟件產業高質量發展若干政策的通知》(國發 [2020] 8號)) (the "**No.8 Notice**") and the Announcement on Enterprise Income Tax Policies for Promoting High-quality Development of Integrated Circuit Industry and Software Industry (《關於促進集成電路產業和軟件產業高質量發展企業所得税政策的公告》) promulgated by the MOF, the STA, the NDRC and the MIIT, enterprises of integrated circuit design, equipment, materials, packaging and testing and software enterprises encouraged by the State are exempted from enterprise income tax during the first year and the second year from the profit-making year. During the third year to the fifth year, the enterprise income tax shall be levied at half of the statutory tax rate of 25%. Key integrated circuit design enterprises and software enterprises encouraged by the State shall be exempted from enterprise income tax during the first year to the fifth year since the profit-making year, and the enterprise income tax shall be levied at a reduced tax rate of 10% in successive years. The Notice of the National Development and Reform Commission and Other Departments on Making Relevant Requirements for the List of Integrated Circuit Enterprises or Projects and Software Enterprises Entitled to Preferential Tax Policies for 2024 (《國家發展改革委等部門關於做好2024年享受税收優惠政策的集成電路企業或項目、軟件企業清單制定工作有關要求的通知》), on the basis of the No.8 Notice, makes detailed description of the conditions and project standards for enterprises that enjoy preferential tax policy.

FOREIGN EXCHANGE ADMINISTRATION IN THE PRC

The lawful currency of the PRC is the Renminbi. The SAFE, authorized by the PBOC, is empowered with the functions of administering all matters relating to foreign exchange, including the enforcement of foreign exchange regulations.

Pursuant to the Regulations of the People's Republic of China on Foreign Exchange Control (《中華人民共和國外匯管理條例》) amended by the State Council and became effective on August 5, 2008, all international payments and transfers are classified into current account items and capital account items. The PRC does not impose restrictions on international payments and transfers under current account items. Foreign exchange income from the current account of PRC enterprises may be retained or sold to financial institutions engaged in the settlement and sale of foreign exchange in accordance with relevant provisions of the State. The retention or sale of foreign exchange receipts under capital accounts to financial institutions engaging in settlement and sale of foreign exchange shall be subject to the approval of foreign exchange administrative authorities, unless otherwise stipulated by the State.

Pursuant to the Regulations for the Administration of Settlement, Sale and Payment of Foreign Exchange (《結匯、售匯及付匯管理規定》) promulgated by the PBOC on June 20, 1996 and became effective on July 1, 1996, the remaining restrictions on convertibility of foreign exchange in respect of current account items are abolished while the existing restrictions on foreign exchange transactions in respect of capital account items are retained.

According to relevant laws and regulations of the PRC, PRC enterprises (including foreign-invested enterprises) which require foreign exchange for transactions relating to current account items, may, without the approval of SAFE, effect payment from their foreign exchange accounts at the designated foreign exchange banks, on the strength of valid receipts and proof of transactions. Foreign-invested enterprise that need to distribute profits to their shareholders in foreign exchange and Chinese enterprise that need to pay fixed dividends in foreign exchange in accordance with the requirements shall pay from its foreign exchange account or pay at the designated foreign exchange bank by a resolution of the board of directors on the distribution of profits.

This Appendix sets forth summaries of certain aspects of PRC laws and regulations which are relevant to the Company's operations and business. Laws and regulations relating to taxation in the PRC are discussed separately in "Appendix III — Taxation and Foreign Exchange." This Appendix also contains a summary of certain Hong Kong legal and regulatory provisions, including certain requirements of the Listing Rules and additional provisions required by the Hong Kong Stock Exchange for inclusion in the articles of association of the PRC issuers.

THE PRC LEGAL SYSTEM

The PRC legal system is based on the Constitution of the People's Republic of China (《中華人民共和國憲法》, the "**Constitution**"), which was last amended and effective on March 11, 2018. The PRC legal system is made up of written laws, administrative regulations, local regulations, autonomous regulations, separate regulations, rules and regulations of State Council departments, rules and regulations of local governments, laws of special administrative regions and international treaties of which the PRC government is a signatory and other regulatory document. Court judgments do not constitute legally binding precedents, although they are used for the purposes of judicial reference and guidance.

The National People's Congress (the "**NPC**") and its Standing Committee are empowered to exercise the legislative power of the State in accordance with the Constitution and the Legislation Law of the People's Republic of China (《中華人民共和國立法法》, the "**Legislation Law**"), which was last amended on March 13, 2023 and effective on March 15, 2023. The NPC has the power to formulate and amend basic laws governing state authorities, civil, criminal and other matters. The Standing Committee of the NPC ("**SCNPC**") formulates and amends laws other than those required to be enacted by the NPC and to supplement and amend parts of the laws enacted by the NPC during the adjournment of the NPC, provided that such supplements and amendments are not in conflict with the basic principles of such laws.

The State Council is the highest organ of state administration and has the power to formulate administrative regulations based on the Constitution and laws. The people's congresses of the provinces, autonomous regions and municipalities and their respective standing committees may formulate local regulations based on the specific circumstances and actual needs of their respective administrative areas, provided that such local regulations do not contravene any provision of the Constitution, laws or administrative regulations. The people's congresses of cities divided into districts and their respective standing committees may formulate local regulations on aspects such as urban and rural construction and management, ecological civilization development and historical cultural protection based on the specific circumstances and actual needs of such cities, provided that such local regulations do not contravene any provision of the Constitution, laws, administrative regulations and local regulations of their respective provinces or autonomous regions. If the law provides otherwise on the matters concerning formulation of local regulations by cities divided into districts, those provisions shall prevail. Such local regulations will become enforceable after being reported to and approved by the standing committees of the people's congresses of the relevant provinces or autonomous regions, but such local regulations shall conform with the Constitution, laws, administrative regulations, and the relevant local regulations of the relevant provinces or autonomous regions. The standing committees of the people's congresses of the provinces or autonomous regions examine the legality of local regulations submitted for approval, and such approval should be granted within four months if they are not in conflict with the Constitution, laws, administrative regulations and local regulations of such provinces or autonomous regions. Where, during the examination for approval of local regulations of cities divided into districts by the standing committees of the people's congresses of the provinces or autonomous regions, conflicts are identified with the rules and regulations of the people's governments of the provinces or autonomous regions concerned, a handling decision should be made by the standing committees of the people's congresses of provinces or autonomous regions to resolve the issue. People's congresses of national autonomous areas have the power to enact autonomous regulations and

separate regulations in light of the political, economic and cultural characteristics of the ethnic groups in the areas concerned. The autonomous regulations and separate regulations of an autonomous region shall come into force after being reported to and approved by the SCNPC. The autonomous regulations and separate regulations of an autonomous prefecture or an autonomous county shall come into force after being reported to and approved by the standing committee of the people's congress of the province, autonomous region, or municipality directly under the Central Government.

The ministries and commissions of the State Council, the People's Bank of China, National Audit Office and the subordinate institutions with administrative functions directly under the State Council may formulate departmental rules within the jurisdiction of their respective departments based on the laws and administrative regulations, and the decisions and orders of the State Council. The people's governments of the provinces, autonomous regions, municipalities and cities or autonomous prefectures divided into districts may formulate rules and regulations based on the laws, administrative regulations and local regulations of such provinces, autonomous regions and municipalities.

According to the Constitution and the Legislation Law, the power to interpret laws is vested in the SCNPC. Pursuant to the Resolution of the SCNPC Providing an Improved Interpretation of the Law (《全國人民代表大會常務委員會關於加強法律解釋工作的決議》) implemented on June 10, 1981, the Supreme People's Court has the power to give interpretation on issues related to the application of laws and regulations in a court trial, and issues related to the application of laws and regulations in a prosecution process of a procuratorate should be interpreted by the Supreme People's Procuratorate. If there is any disagreement in principle between Supreme People's Court's interpretations & Supreme People's Procuratorate's interpretations, such issues shall be reported to the SCNPC for interpretation or judgment. The other issues related to laws and regulations other than the abovementioned should be interpreted by the State Council and the competent authorities. At the regional level, the power to interpret regional laws is vested in the regional legislative and administrative authorities which promulgate such laws.

THE PRC JUDICIAL SYSTEM

Under the Constitution, the Law of Organization of the People's Court of the PRC (《中華人民共和國人民法院組織法》) amended by the SCNPC on October 26, 2018 and becoming effective on January 1, 2019 and the Law of Organization of the People's Procuratorate of the PRC (《中華人民共和國人民檢察院組織法》) amended on October 26, 2018 and becoming effective on January 1, 2019, the people's courts of the PRC are divided into the Supreme People's Court, the local people's courts at all levels and special people's courts. The local people's courts at all levels are divided into three levels, namely, the basic people's courts, the intermediate people's courts and the higher people's courts. The basic people's courts may set up certain people's tribunals based on the status of the region, population and cases. The Supreme People's Court shall be the highest judicial organ of the state. The Supreme People's Court shall supervise the administration of justice by the local people's courts at all levels and by the special people's courts. The people's courts at a higher level shall supervise the judicial work of the people's courts at lower levels. The people's procuratorates of the PRC are divided into the Supreme People's Procuratorate, the local people's procuratorates at all levels, Military Procuratorates and other special people's procuratorates. The Supreme People's Procuratorate shall be the highest procuratorate organ. The Supreme People's Procuratorate shall direct the work of the local people's procuratorates at all levels and of the special people's procuratorates; the people's procuratorates at higher levels shall direct the work of those at lower levels.

The people's courts employ a two-tier appellate system, i.e., judgments or rulings of the second instance at the people's courts are final. A party may appeal against the judgment or ruling of the first instance of a local people's courts. The people's procuratorate may present a protest to

the people's courts at the next higher level in accordance with the procedures stipulated by the laws. In the absence of any appeal by the parties and any protest by the people's procuratorate within the stipulated period, the judgments or rulings of the people's courts are final. Judgments or rulings of the second instance of the intermediate people's courts, the higher people's courts and the Supreme People's Court and those of the first instance of the Supreme People's Court are final. However, if the Supreme People's Court finds some definite errors in a legally effective judgment, ruling or conciliation statement of the people's court at any level, or if the people's court at a higher level finds such errors in a legally effective judgment, ruling or conciliation statement of the people's court at a lower level, it has the authority to review the case itself or to direct the lower-level people's court to conduct a retrial. If the chief judge of all levels of people's courts finds some definite errors in a legally effective judgment, ruling or conciliation statement, and considers a retrial is preferred, such case shall be submitted to the judicial committee of the people's court at the same level for discussion and decision.

The Civil Procedure Law of the PRC (《中華人民共和國民事訴訟法》) (the "**PRC Civil Procedure Law**") promulgated on April 9, 1991, last amended on September 1, 2023 and becoming effective on January 1, 2024, prescribes the conditions for instituting a civil action, the jurisdiction of the people's court, the procedures for conducting a civil action, and the procedures for enforcement of a civil judgment or ruling. All parties to a civil action conducted within the PRC must abide by the PRC Civil Procedure Law. A civil case generally falls under the jurisdiction of the court located in the defendant's place of domicile. In respect of civil proceedings, the parties to a contract may, by written agreement, choose the people's court of the place where the defendant is domiciled, the contract is performed or signed, the plaintiff is domiciled, the subject matter is located, or any other place that has actual connection with the dispute, for jurisdiction, provided that such choice shall not in any circumstances contravene the regulations of differential jurisdiction and exclusive jurisdiction.

A foreign individual, a stateless person, a foreign enterprise or a foreign organization is given the same litigation rights and obligations as a citizen, a legal person or other organizations of the PRC when initiating actions or defending against litigations at a people's court. Should a foreign court limit the litigation rights of PRC citizens or enterprises, the people's courts of the PRC may apply the same limitations to the citizens or enterprises of such foreign country. A foreign individual, a stateless person, a foreign enterprise or a foreign organization must engage a PRC lawyer in case he or it needs to engage a lawyer for the purpose of initiating actions or defending against litigations at a people's court. In accordance with the international treaties to which the PRC is a signatory or participant or according to the principle of reciprocity, a people's court and a foreign court may request each other to serve documents, conduct investigation and collect evidence and conduct other actions on its behalf. A people's court shall not accommodate any request made by a foreign court which will result in the violation of sovereignty, security or public interests of the PRC.

All parties to a civil action shall perform the legally effective judgments and rulings. If any party to a civil action refuses to abide by a judgment or ruling made by a people's court or an award made by an arbitration tribunal in the PRC, the other party may apply to the people's court for the enforcement of the same within two years subject to application for postponed enforcement or revocation. The provisions relating to the suspension or discontinuance of the litigation limitation period shall be applicable to the suspension or discontinuance of the limitation period for applications to enforce a judgment. If a party fails to satisfy within the stipulated period a judgment which the court has granted an enforcement approval, the court may, upon the application of the other party, mandatorily enforce the judgment against such party.

Where a party requests for enforcement of an effective judgment or ruling made by a people's court, but the opposite party or his or her property is not within the territory of the People's Republic of China, the party may directly apply to the foreign court with jurisdiction for recognition

and enforcement of the judgment or ruling, or the people's court may, in accordance with the provisions of international treaties to which the PRC is a signatory or in which the PRC is a participant or according to the principle of reciprocity, request for recognition and enforcement by the foreign court. Similarly, for an effective judgment or ruling made by a foreign court that requires recognition and enforcement by a people's court of the PRC, a party may directly apply to an intermediate people's court of the PRC with jurisdiction for recognition and enforcement of the judgment or ruling, or the foreign court may, in accordance with the provisions of international treaties to which its country and the PRC are signatories or in which its country is a participant or according to the principle of reciprocity, request for recognition and enforcement by the people's court, unless such judgment or ruling would violate the basic principles of the PRC law or undermines state sovereignty, security, social or public interests.

THE COMPANY LAW OF THE PRC, THE TRIAL MEASURES AND THE GUIDELINES FOR THE ARTICLES OF ASSOCIATION OF LISTED COMPANIES

A joint stock limited company established in the PRC seeking a listing on the Hong Kong Stock Exchange is mainly subject to the following laws and regulations of the PRC.

The Company Law of the PRC (the "**PRC Company Law**") was adopted by the Standing Committee of the Eighth NPC at its Fifth Session on December 29, 1993 and came into effect on July 1, 1994. It was successively amended on December 25, 1999, August 28, 2004, October 27, 2005, December 28, 2013, October 26, 2018 and December 29, 2023. The newly revised PRC Company Law has been implemented on July 1, 2024.

On February 17, 2023, the CSRC published the Trial Measures and the relevant guidelines, which came into effect on March 31, 2023 and is applicable to direct and indirect overseas share subscription and listing of domestic companies. The Trial Measures also stipulates the filing administrative measures and regulatory requirements for the overseas securities offering and listing by domestic companies.

On March 28, 2025, the CSRC promulgated the newly revised Guidelines for the Articles of Association of Listed Companies (the "**AoA Guidelines**"), which took effect on the same date. Pursuant to the Trial Measures and its complementary guidelines, Guidelines on the Application of Regulatory Rules — Overseas Listing Category No. 1, domestic enterprises that directly offer shares and list overseas shall prepare the articles of association with reference to the AoA Guidelines and other relevant provisions of the CSRC on corporate governance to standardize corporate governance.

Major provisions of the PRC Company Law, the Trial Measures and the AoA Guidelines applicable to the Company are summarized as follows.

A "joint stock limited company" ("**company**") refers to a corporate legal person incorporated in China under the PRC Company Law, whose registered capital is divided into shares of equal par value. The liability of its shareholders is limited to the extent of the shares they subscribe for and the liability of the company for its own debts is limited to the total amount of all assets it owns.

A company must conduct its business in accordance with laws as well as public and commercial ethics. A company may invest in other limited liability companies. The liabilities of the company to such invested companies are limited to the amount invested. Where any laws stipulate that a company cannot be the capital contributor who has the joint liabilities associated with the debts of the invested enterprises, such requirements shall prevail.

INCORPORATION

A company may be established by promotion or subscription. A company shall have a minimum of one but no more than 200 people as its promoters, over half of which shall have a domicile within the PRC. The registered capital of a company is the total share capital of the issues shares as registered with the company registration authority. No share offering shall be made before the shares subscribed for by promoters are fully paid up. If laws, administrative regulations and the State Council decisions provide otherwise on the minimum registered capital, a company should follow such provisions.

For companies incorporated by way of promotion, the promoters shall subscribe for the full amount of shares to be issued upon the establishment of the company as provided for in the articles of association. Where companies are incorporated by share offering, shares subscribed for by the promoters shall not be less than 35% of the total number of shares to be issued when the company is established as stipulated in the company's articles of association, unless otherwise provided by laws or administrative regulations.

The sponsors who raise funds to establish a joint stock limited company shall preside over and convene the establishment meeting of the company within thirty days from the date of full payment of the shares that should be issued when the company is established, and notify all subscribers or announce the date of the meeting 15 days prior to the date of the establishment meeting. The establishment meeting shall be formed by the subscribers holding more than half of the voting rights. The convening and voting procedures of the establishment meeting of a joint stock limited company established by way of promotion shall be stipulated in the company's articles of association or the agreement between the promoters.

Powers to be exercised at the establishment meeting of a company shall include but not limited to the adoption of articles of association and the election of directors and supervisors. The aforesaid matters shall be resolved by more than 50% of the votes to be casted by subscribers presented at the meeting. Where the shares that shall be issued when the company is established are not fully subscribed, or where the promoter fails to convene an establishment meeting within 30 days of the subscription monies for the shares issued being fully paid up, the subscribers may demand that the promoters refund the subscription monies so paid together with the interest at bank deposit rates for the same period. After the promoters or subscribers have paid for their shares or delivered non-monetary property, they may not withdraw their share capital, except in the case of failure to raise the full amount of shares by the due date, failure of the promoters to convene the establishment meeting by the due date, or the establishment meeting resolves not to establish the company. Within 30 days after the conclusion of the establishment meeting of the company, the board of directors shall authorize a representative to apply to the company registration authority for registration of the establishment of the company. A company is formally established and has the capacity of a legal person after approval of registration has been given by the relevant company registration authority for industry and commerce and a business license has been issued.

REGISTRATION AND ISSUE OF SHARES

In accordance with the PRC Company Law, the promoters may make a capital contribution in currencies, or non-monetary assets such as in kind or intellectual property rights or land use rights or equity rights or creditors' rights which can be appraised with monetary value and transferred lawfully, except for assets which are prohibited from being contributed as capital by the laws or administrative regulations. Non-monetary assets contributed as capital shall be valued and verified, and shall not be overvalued or undervalued. Where laws or administrative regulations have provisions on valuation, such provisions shall prevail.

The capital of a joint stock limited company shall be divided into shares. All the shares of the company shall alternatively be shares with or without par value in accordance with the articles of association. Where par value shares are adopted, all the shares shall be of equal value. The company may, according to the articles of association, convert all the issued par value shares into no par value shares, or vice versa. Where no par value shares are adopted, more than half of the proceeds from the issuance of the shares shall be included in the registered capital.

A joint stock limited company shall maintain a register of members which shall be kept at the company and set forth the following matters: (1) the name and domicile of each shareholders; (2) the class and number of shares subscribed for by each shareholder; (3) in case of shares issued in paper form, the serial numbers of share certificates; and (4) the date on which each shareholder acquired the shares.

The issuance of shares shall be conducted in a fair and equitable manner. Each share of the same class must carry equal rights. Shares issued at the same time and within the same class must be issued on the same conditions and at the same price. The same price per share shall be paid by any subscriber. The offering price of par value shares may be equal to or greater than the nominal value of the share, but may not be less than the nominal value.

The Trial Measures provides that domestic enterprises that are listed overseas may raise funds and distribute dividends in foreign currencies or Renminbi. Under certain circumstances, such as equity incentives and issuing securities to acquire assets, domestic enterprises may issue securities to specific domestic parties when issuing securities directly overseas.

Domestic enterprises issued and listed overseas shall file with the CSRC in accordance with Trial Measures, submit filing reports, legal opinions and other relevant materials, and truthfully, accurately and completely explain shareholder information and other information. Where a domestic enterprise directly issues and is listed overseas, the issuer shall file with the CSRC. If a domestic enterprise is indirectly listed overseas, the issuer shall designate a major domestic operating entity as the domestic responsible person and file with the CSRC.

INCREASE IN SHARE CAPITAL

Pursuant to the relevant provisions of the PRC Company Law, where a company is issuing new shares, resolutions shall be passed at a general meeting in accordance with the articles of association in respect of matters such as the class and amount of the new shares, the issue price of the new shares, the commencement and end dates for the issue of the new shares and the class and amount of the new shares proposed to be issued to existing shareholders. Where a company intends to make public offering of shares, it shall register with the security regulatory organization under the State Council and publish a prospectus. After the issued shares have been fully paid up, the company shall make an announcement.

REDUCTION OF SHARE CAPITAL

A company shall reduce its registered capital in accordance with the following procedures prescribed by the PRC Company Law: (1) the company shall prepare a balance sheet and an inventory of assets; (2) the reduction of registered capital must be approved by shareholders at general meeting; (3) the company shall notify its creditors within 10 days and publish an announcement in newspapers or on the National Enterprise Credit Information Publicity System within 30 days from the day on which the resolution approving the reduction was passed; (4) the creditors of the company are entitled to require the company to repay its debts or provide guarantees for such debts within 30 days from receipt of the notification or within 45 days from the date of the announcement if he/she/it has not received any notification; and (5) the company must apply to the company registration authority for change in registration.

Where a company reduces its registered capital, it shall reduce the amount of capital or shares according to the proportion of the shareholders' contributions or shareholdings, unless as otherwise provided by laws, as otherwise agreed by all the shareholders of the limited liability company, or as otherwise stipulated in the articles of association of the joint stock limited company.

REPURCHASE OF SHARES

Pursuant to the PRC Company Law, a company may not repurchase its own shares other than for the following purposes: (i) reducing its registered capital; (ii) merging with other companies which hold its shares; (iii) carrying out an employee stock ownership plan or equity incentive plan; (iv) acquiring its shares at the request of its shareholders who vote in a general meeting against a resolution regarding a merger and division; (v) utilizing the shares for conversion of listed corporate bonds which are convertible into shares; and (vi) where it is necessary for the listed company to safeguard the value of the company and the interests of its shareholders. The acquisition by a company of its own shares on the grounds set out in item (i) to (ii) above shall be approved by way of a resolution of a general meeting; the acquisition by a company of its own shares in circumstances as set out in items (iii), (v) and (vi) above may be approved by way of a resolution at a board meeting with two-third or more of the directors present in accordance with the provisions of the company's articles of association or the authorization of the general meeting.

Following the acquisition by a company of its own shares in accordance with these requirements, such shares shall be canceled within 10 days from the date of the acquisition under the circumstance in item (i); such shares shall be transferred or canceled within six months under the circumstances in items (ii) or (iv); the total shares held by the Company shall not exceed 10% of the total amount of shares issued by the Company and such shares shall be transferred or canceled within three years under the circumstances in items (iii), (v) or (vi).

TRANSFER OF SHARES

Shares held by shareholders of a joint-stock company may be transferred to other shareholders or to persons other than shareholders; if the company's articles of association impose restrictions on the transfer of shares, such transfer shall be effected in accordance with the provisions of the company's articles of association. Pursuant to the PRC Company Law, a shareholder should effect a transfer of his shares on a stock exchange established in accordance with laws or by any other means as required by the State Council. Transfer of shares may be carried out by endorsement of shareholders or in other manner specified by laws and administrative regulations. Following the transfer, the company shall enter the names and addresses of the transferees into its register of members.

Pursuant to the PRC Company Law, the register of members shall not be modified within 20 days prior to the convening of a shareholder's meeting or five days prior to the base date for determination of dividend distributions. Where laws, administrative regulations or the securities regulatory authorities under the State Council have other provisions on changes to the register of members of a listed company, such provisions shall prevail.

Pursuant to the PRC Company Law, shares of the company issued prior to the public issue of shares may not be transferred within one year of the date of the company's listing on a stock exchange. Where laws, administrative regulations or the securities regulatory authority of the State Council have other provisions on the transfer of shares held by shareholders or de facto controllers of listed companies, such provisions shall prevail. Directors, supervisors and the senior management of a company shall declare to the company their shareholdings in it and changes in such shareholdings. During their terms of office, they shall not transfer more than 25% of the total number of shares held by them in the Company each year during their term of office as determined when they assume the posts. They shall not transfer the shares they hold within one year from the

date of the company's listing on a stock exchange, nor within six months after they leave their positions in the company. The articles of association may set out other restrictive provisions in respect of the transfer of shares in the company held by its directors, supervisors and the senior management. Where the shares are pledged within the time limit for restricted transfer as provided for by laws and administrative regulations, the pledgee may not exercise the pledge right within such restricted period.

SHAREHOLDERS

Under the PRC Company Law and the AoA Guidelines, the rights of shareholders include the rights: (i) to receive a return on assets, participate in significant decision-making and select management personnel; (ii) to petition the people's court to revoke any resolution passed on a general meeting or a meeting of the board of directors that has been convened or whose voting has been conducted in violation of the laws, administrative regulations or the articles of association, or any resolution the contents of which is in violation of the articles of association, provided that such petition shall be submitted within 60 days of the passing of such resolution, except where the procedures for convening a meeting of the general meeting or the board of directors or the voting method only has some minor defects, which produces no substantial effect on the resolution; (iii) to transfer, donate or pledge the shares of the shareholders legally; (iv) to attend or appoint a proxy to attend general meetings and exercise the voting rights; (v) to inspect and make copies of the articles of association, share register, minutes of general meetings, board resolutions, resolutions of the board of supervisors and financial and accounting reports, and to make suggestions or inquiries in respect of the company's operations; (vi) to receive dividends and other forms of profit distribution in respect of the number of shares held; (vii) to participate in distribution of residual properties of the company in proportion to their shareholdings upon the liquidation of the company; and (viii) any other shareholders' rights provided for in laws, administrative regulations, other normative documents and the articles of association.

The obligations of shareholders include the obligation to abide by the company's articles of association, to pay the subscription monies in respect of the shares subscribed for, to be liable for the company's debts and liabilities to the extent of the shares taken up by them, may not abuse shareholder's rights to harm the interests of the company or other shareholders, or abuse the independent status of the company legal person and the limited liability of shareholders to harm the interests of the creditors of the company, and any other shareholder obligation specified in the articles of association.

GENERAL MEETING

The general meeting is the organ of authority of the company, which exercises its powers in accordance with the PRC Company Law. The general meeting may exercise the following functions and powers: (i) to elect and replace the directors and supervisors and to decide on the matters relating to the remuneration of directors and supervisors; (ii) to review and approve the reports of the board of directors; (iii) to review and approve the reports of the board of supervisors; (iv) to review and approve the company's profit distribution proposals and loss recovery proposals; (v) to make resolutions on any increase or reduction of the company's registered capital; (vi) to make resolutions on the issue of corporate bonds; (vii) to make resolutions on merger, division, dissolution and liquidation of the company or change of its corporate form; (viii) to amend the articles of association; and (ix) other functions and powers stipulated in the articles of association. The general meeting may authorize the board of directors to make resolutions on the issuance of corporate bonds.

Pursuant to the PRC Company Law and the AoA Guidelines, a general meeting is required to be held once every year within six months after the end of the previous accounting year. An extraordinary general meeting is required to be held within two months upon the occurrence of any

of the circumstances: (i) the number of directors is less than the number required by law or less than two-thirds of the number specified in the articles of association; (ii) the outstanding losses of the company amounted to one-third of the company's total share capital; (iii) shareholders individually or in aggregate holding 10% or more of the company's shares request to convene an extraordinary general meeting; (iv) the board deems necessary; (v) the board of supervisors so proposes; or (vi) other circumstances as provided for in the articles of association.

A general meeting shall be summoned by the board of directors and presided over by the chairman of the board of directors. In the event that the chairman is incapable of performing or is not performing his duties, the meeting shall be presided over by the vice chairman. In the event that the vice chairman is incapable of performing or is not performing his duties, a director recommended by half or more of the directors shall preside over the meeting. Where the board of directors is incapable of performing or is not performing its duties, the board of supervisors shall convene and preside over the general meeting in a timely manner. If the board of supervisors fails to convene and preside over the general meeting, shareholders individually or in aggregate holding 10% or more of the company's shares for 90 days or more consecutively may unilaterally convene and preside over the general meeting. In the event that shareholders who individually or in aggregate holding 10% or more of the company's shares request the convening of an extraordinary general meeting, the board of directors or the board of supervisors shall make a decision on whether or not to convene an extraordinary general meeting within ten days from the date of receipt of the request, and shall reply to the shareholders in writing.

In accordance with the PRC Company Law, a notice of the general meeting stating the time and venue of the meeting and the matters to be considered at the meeting shall be given to all shareholders 20 days prior to the meeting. A notice of extraordinary general meeting shall be given to all shareholders 15 days prior to the meeting. Shareholders individually or in aggregate holding 1% or more of the company's shares may submit an interim proposal in writing to the board of directors within 10 days before the general meeting. The board of directors shall notify other shareholders within two days upon receipt of the proposal, and submit the interim proposal to the general meeting for deliberation; except where the interim proposal violates the provisions of laws, administrative regulations or the articles of association, or does not fall within the terms of reference of the general meeting. A company shall not increase the shareholding ratio of the shareholders who are entitled to put forward an interim proposal.

Pursuant to the PRC Company Law, shareholders present at a general meeting have one vote for each share they hold, except for class shareholders. The Company's shares held by the company are not entitled to any voting rights. A shareholder may entrust a proxy to attend a general meeting, and it should clarify the matters, power and time limit of the proxy. The proxy shall present a written power of attorney issued by the shareholder to the company and shall exercise his voting rights within the scope of authorization.

An accumulative voting system may be adopted for the election of directors and supervisors at the general meeting pursuant to the provisions of the articles of association or a resolution of the general meeting. Under the accumulative voting system, each share shall be entitled to the number of votes equivalent to the number of directors or supervisors to be elected at the general meeting, and shareholders may consolidate their votes for one or more directors or supervisors when casting a vote.

Pursuant to the PRC Company Law and the AoA Guidelines, resolutions of the general meeting shall be passed by more than half of the voting rights held by shareholders present at the meeting. Resolutions of the general meeting relating to amendments to the articles of association, increase or reduction of registered share capital, merger, division or dissolution of the company or change of corporate form shall be passed by more than two-thirds of the voting rights held by the shareholders present at the meeting.

BOARD OF DIRECTORS

A company shall have a board of directors, unless otherwise stipulated in Article 128 of the PRC Company Law. Members of the board of directors may include staff representatives, who shall be democratically elected by the company's staff at a staff representative assembly, general staff meeting or otherwise. The term of a director shall be stipulated in the articles of association, provided that no term of office shall last for more than three years. A director may serve consecutive terms if re-elected. A director shall continue to perform his/her duties as a director in accordance with the laws, administrative regulations and the articles of association until a duly reelected director takes office, if re-election is not conducted in a timely manner upon the expiry of his/her term of office or if the resignation of director results in the number of directors being less than the quorum. If a director resigns, he shall notify the company in writing and the resignation shall take effect on the date of receipt of the notification by the company; however, if the circumstances stipulated in the preceding paragraph exist, the director shall continue to perform his duties.

Under the PRC Company Law, the board of directors may exercise its powers: (i) to summon general meetings and report its works to the general meetings; (ii) to implement the resolutions passed by the shareholders at the general meetings; (iii) to decide on the company's operational plans and investment proposals; (iv) to formulate the company's profit distribution proposals and loss recovery proposals; (v) to formulate proposals for the increase or reduction of the company's registered capital and the issue of corporate bonds; (vi) to formulate proposals for the merger, division or dissolution of the company or change of corporate form; (vii) to decide on the setup of the company's internal management organs; (viii) to appoint or dismiss the company's manager and decide on his/her remuneration and, based on the manager's recommendation, to appoint or dismiss any deputy manager and the person responsible for financial matters of the company and to decide on their remunerations; (ix) to formulate the company's basic management system; and (x) to exercise any other authority as is stipulated in the articles of association or as authorized by the general meeting. Restrictions on the board of directors' powers in a company's articles of association shall not be used against a bona fide counterparty.

Meetings of the board of directors shall be convened at least twice each year. Notices of meeting shall be given to all directors and supervisors 10 days before the meeting. Interim board meetings may be proposed to be convened by shareholders representing more than 10% of the voting rights, more than one-third of the directors or the supervisory board. The chairman shall convene the meeting within 10 days of receiving such proposal, and preside over the meeting. The board of directors may otherwise determine the means and the period of notice for summoning an interim board meeting. Meetings of the board of directors shall be held only if more than half of the directors are present. Resolutions of the board of directors shall be passed by more than half of all directors. Each director shall have one vote for a resolution to be approved by the board. Directors shall attend board meetings in person. If a director is unable to attend for any reason, he/she may appoint another director to attend the meeting on his/her behalf by a written power of attorney specifying the scope of authorization. Meanwhile, the board of directors shall keep minutes of resolutions passed at board meetings. The minutes shall be signed by the directors present at the meeting.

If a resolution of the board of directors violates the laws, administrative regulations or the articles of association or resolutions of the general meeting, and causes any serious loss to the company, the directors participating in the resolution are liable to compensate the company. However, if it can be proved that a director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such director shall be relieved from that liability.

Under the PRC Company Law, the following person may not serve as a director in a company: (i) a person with no capacity for civil conduct or limited capacity for civil conduct; (ii) a person who has committed offences relating to corruption, bribery, embezzlement, misappropriation of property or disruption of the order of socialist market economy and has been sentenced to criminal punishment, where less than five years have elapsed since the date of completion of the sentence, in case of a suspended sentence, not more than two years have elapsed since the date of expiry of the probationary period; (iii) a person who has been a former director, factory manager or manager of a company or an enterprise that has entered into insolvent liquidation and who was personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the bankruptcy and liquidation of the company or enterprise; (iv) a person who has been a legal representative of a company or an enterprise that has had its business license revoked due to violations of the law or has been ordered to close down by law and the person was personally responsible, where less than three years have elapsed since the date of such revocation or the order for closure; and (v) being listed as a dishonest person subject to enforcement by the people's court due to his/her failure to pay off a relatively large amount of debts which has fall due.

Any election or appointment of directors to which any of the above circumstances applies, such election or appointment shall be null and void. A director to which any of the above circumstances applies during his/her term of office shall be released of his/her duties by the company.

Under the PRC Company Law, the board shall have a chairman and may have vice chairmen. The chairman and the vice chairman shall be elected with approval of more than half of all the directors. The chairman shall summon and preside over board meetings and review the implementation of board resolutions.

The vice chairman shall assist the chairman to perform his/her duties. Where the chairman is incapable of performing, or is not performing his/her duties, the duties shall be performed by the vice chairman. Where the vice chairman is incapable of performing, or is not performing his/her duties, a director jointly elected by more than half of the directors shall perform his/her duties.

SUPERVISORY BOARD

A company shall have a supervisory board, unless otherwise stipulated in paragraph 1 of Article 121 or Article 133 of the PRC Company Law. The supervisory board shall comprise not less than three members. Members of the supervisory board shall consist of representatives of the shareholders and an appropriate proportion of representatives of the company's staff, among which the proportion of representatives of the company's staff shall not be less than one-third, and the actual proportion shall be determined in the articles of association. Representatives of the company's staff at the supervisory board shall be democratically elected by the company's staff at the staff representative assembly, general staff meeting or otherwise. Directors and senior management members shall not act concurrently as supervisors.

The supervisory board may exercise its powers: (i) to review the company's financial position; (ii) to supervise the acts of directors and senior management in their performance of their duties and to propose the removal of directors and senior management who have violated laws, administrative regulations, the articles of association or resolutions of the general meetings; (iii) when the acts of a director or a senior management personnel are detrimental to the company's interests, to require the director and senior management to correct these acts; (iv) to propose the convening of extraordinary general meetings and to convene and preside over general meetings when the board fails to perform the duty of convening and presiding over general meetings under the PRC Company Law; (v) to submit proposals to the general meetings; (vi) to bring actions against directors and senior management personnel pursuant to the relevant provisions of the PRC Company Law; and (vii) to exercise any other authority stipulated in the articles of association.

Pursuant to the provisions of the Transitional arrangements relating to the implementation of the rules under the new Company Law (關於新《公司法》配套制度規則實施相關過渡期安排) promulgated by the CSRC on December 27, 2024 and the AoA Guidelines, listed companies shall, before January 1, 2026, provide in the articles of association for the establishment of an audit committee in the board of directors, exercising the powers and functions of the supervisory board as stipulated in the Company Law, the listed companies will then have no supervisory board or supervisors.

MANAGER AND THE SENIOR MANAGEMENT

Under the relevant requirements of the PRC Company Law, a company may have a manager who shall be appointed or removed by the board of directors. The manager shall be responsible to the board of directors and shall exercise his duties and powers in accordance with the provisions of the company's articles of association or the authorization of the board of directors. The manager shall be present at meetings of the board of directors as a non-voting member.

According to the PRC Company Law, senior management refers to manager, deputy manager, financial officer, secretary to the board of a listed company and other personnel as stipulated in the articles of association.

DUTIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Directors, supervisors and senior management are required under the PRC Company Law to comply with the relevant laws, administrative regulations and the articles of association, shall owe a duty of loyalty and a duty of diligence to the company, shall take measures to avoid conflicts between their own interests and the interests of the company, shall not make use of their positions to gain undue advantage, and shall perform their duties with the reasonable care normally expected of a person in management position in the best interests of the company. Directors and senior management are prohibited from: (i) embezzlement of company properties and misappropriating company funds; (ii) depositing company funds into accounts under their own names or the names of other individuals; (iii) utilizing power to accept bribe or accept other illegal income; (iv) accepting for their own benefit commissions from others for transactions conducted with the company; (v) unauthorized disclosing confidential information of the company; and (vi) other acts in violation of their duty of loyalty to the company. Income generated by directors, supervisors or senior management in violation of aforementioned shall belong to the company.

Where any director, supervisor or senior management directly or indirectly concludes a contract or conducts a transaction with the company, he/she shall report the matters relating to the conclusion of the contract or transaction to the board of directors or general meeting, which shall be subject to the resolution of the board of directors or general meeting according to the articles of association.

Where any of the near relatives of the directors, supervisors or senior management, or any of the enterprises directly or indirectly controlled by the directors, supervisors or s senior management or any of their near relatives, or any of the related parties who has any other related-party relationship with the directors, supervisors or senior management, concludes a contract or conducts a transaction with the company, the provisions of the preceding paragraph shall apply.

No director, supervisor or senior management may take advantage of his/her position to seek any business opportunity that belongs to the company for himself/herself or any other person except under any of the following circumstances: (i) where he/she has reported to the board of directors or the general meeting and has been approved by a resolution of the board of directors or the general meeting according to the articles of association; or (ii) where the company cannot make use of the business opportunity as stipulated by laws, administrative regulations or the articles of association.

Where any director, supervisor or senior management fails to report to the board of directors or the general meeting and obtain an approval by resolution of the board of directors or the general meeting according to the articles of association, he/she may not engage in any business that is similar to that of the company where he/she holds office for himself/herself or for any other person.

A director, supervisor or senior management who contravenes law, administrative regulation or the articles of association in the performance of his/her duties resulting in any loss to the company shall be liable to the company for compensation.

FINANCE AND ACCOUNTING

Under the PRC Company Law, a company shall establish its own financial and accounting systems according to the laws, administrative regulations and the regulations of the financial departments under the State Council. At the end of each accounting year, a company shall prepare a financial and accounting report which shall be audited by an accounting firm in accordance with laws. The financial and accounting reports shall be prepared in accordance with laws, administrative regulations and the regulations of the financial departments under the State Council. The company's financial and accounting reports shall be made available for shareholders' inspection at the company within 20 days before the convening of an annual general meeting. A joint stock limited company that makes public stock offerings shall announce its financial and accounting reports.

The premium over the nominal value per share of the company on issue, the amount of proceeds from the issuance of no-par value shares not included in the registered capital and other income as required by the financial departments under the State Council to be treated as the capital reserve funds shall be accounted for as the capital reserve funds.

The reserve funds of a company shall be applied to make up for the company's losses, expand its business operations or increase its capital. When utilizing reserve funds to make up for a company's losses, the discretionary common reserve funds and statutory common reserve funds should be used first; if the losses still cannot be made up, the capital reserve funds may be used in accordance with the requirements. When the statutory common reserve funds are converted into capital, the remaining balance of such reserve funds shall not be less than 25% of the registered capital of the Company before the conversion.

The company shall have no accounting books other than the statutory books. The company's funds shall not be deposited in any account opened under the name of an individual.

ENGAGEMENT AND DISMISSAL OF ACCOUNTING FIRMS

Pursuant to the PRC Company Law, the engagement or dismissal of an accounting firm responsible for the company's auditing shall be determined by a general meeting, the board of directors or the supervisory board in accordance with the articles of association. The accounting firm should be allowed to make representations when the general meeting, the board of directors or the supervisory board conducts a vote on the dismissal of the accounting firm. The company should provide true and complete accounting evidence, accounting books, financial and accounting reports and other accounting information to the engaged accounting firm without any refusal or withholding or falsification of data.

The Guidelines for Articles of Association provides that the engagement of any accounting firm of a listed company shall be subject to the approval of the general meeting, prior to which the Board shall not appoint any accounting firm. The audit fee of the accounting firm shall be decided by the general meeting.

PROFIT DISTRIBUTION

When distributing each year's profits after taxation, the company shall set aside 10% of its profits after taxation for the company's statutory common reserve fund until the fund has reached more than 50% of the PRC company's registered capital. When the company's statutory common reserve fund is not sufficient to make up for the company's losses for the previous years, the current year's profits shall first be used to make up for the losses before any allocation is set aside for the statutory common reserve fund. After the company has made allocations to the statutory common reserve fund from its profits after taxation, it may, upon passing a resolution at a general meeting, make further allocations from its profits after taxation to the discretionary common reserve fund. After a joint-stock limited company has made up for its losses and made allocations to its discretionary common reserve fund, the remaining profits after taxation shall be distributed in proportion to the number of shares held by the shareholders, except otherwise provided for in the articles of association.

Profits distributed to shareholders by a company in violation of the PRC Company Law must be returned to the company; if losses are caused to the company, shareholders and responsible directors, supervisors and senior management shall bear the liability for compensation.

DISSOLUTION AND LIQUIDATION

Under the PRC Company Law, a company shall be dissolved for any of the following reasons: (i) the term of its operation set out in the articles of association has expired or other events of dissolution specified in the articles of association have occurred; (ii) the shareholders have resolved at a general meeting to dissolve the company; (iii) the company shall be dissolved by reason of its merger or division; (iv) the business license of the company is revoked or the company is ordered to close down or to be dissolved in accordance with the laws; or (v) the company has experienced material difficulties in operation and management, and the continuous operation would lead to substantial losses to the interests of its shareholders and there are no other solutions to resolve the matters. Shareholders holding 10% or more of the total voting rights of the company may appeal to the People's Court for dissolution of the company. The company shall, within ten days of the occurrence of the reasons for dissolution as stipulated in the preceding paragraph, make public the reasons for dissolution through the National Enterprise Credit Information Publicity System.

In the event of paragraph (i) and (ii) above and in case that no assets have been distributed to shareholders, the company may carry on its existence by amending its articles of association or by a resolution of general meeting. The amendments to the articles of association or the resolution of a general meeting in accordance with the provisions described above shall require the approval of more than two-thirds of voting rights of shareholders attending a general meeting.

Where the company is dissolved under the circumstances set forth in paragraph (i), (ii), (iv) or (v) above, liquidation shall be carried out. Directors shall be the liquidation obligors, and a liquidation committee shall be established within 15 days of the date on which the dissolution matter occurs. The liquidation committee shall be composed of directors, unless the company's articles of association provide otherwise or the general meeting resolves to elect someone else. If the liquidation obligor fails to fulfill its liquidation obligations in a timely manner and causes losses to the company or creditors, it shall be liable for compensation. If a liquidation committee is not established within the stipulated period or if the liquidation is not carried out after the establishment of the liquidation committee, the interested parties may apply with the people's court for setting up a liquidation committee with designated relevant personnel to conduct the liquidation. The people's court should accept such application and form a liquidation committee to conduct liquidation in a timely manner.

The liquidation committee may exercise following powers during the liquidation: (i) to sort out the company's assets and to prepare a balance sheet and an inventory of assets; (ii) to notify the company's creditors or publish announcements;(iii) to deal with any outstanding business related to the liquidation; (iv) to pay any overdue tax together with any tax arising during the liquidation process;(v) to settle the company's claims and liabilities;(vi) to distribute the company's remaining assets after its debts have been paid off; and (vii) to represent the company in any civil procedures.

The liquidation committee shall notify the company's creditors within 10 days of its establishment, and publish an announcement in newspapers or on the National Enterprise Credit Information Publicity System within 60 days. A creditor shall lodge his claim with the liquidation committee within 30 days of receipt of the notification or within 45 days of the date of the announcement if he has not received any notification. A creditor shall report all matters relevant to his claimed creditor's rights and furnish relevant evidence. The liquidation committee shall register such creditor's rights. The liquidation committee shall not make any settlement to creditors during the period of the claim.

After sorting out the company's property and preparing the required balance sheet and inventory of assets, the liquidation committee shall formulate a liquidation plan for submission to a general meeting or a People's Court for confirmation. The remaining part of the company's assets, after payment of liquidation expenses, employee wages, social insurance expenses and statutory compensation, outstanding taxes and the company's debts, shall be distributed to shareholders in proportion to shares held by them. The company shall continue to exist during the liquidation period, although it cannot conduct operating activities that are not related to the liquidation. The company's property shall not be distributed to shareholders before repayments are made in accordance with the requirements described above.

After sorting out the assets of the Company and preparing the required balance sheet and inventory of assets, if the liquidation committee becomes aware that the company does not have sufficient assets to meet its liabilities, it must apply to a people's court for bankrupt liquidation in accordance with the laws. Following the acceptance of application for bankruptcy by the People's Court, the liquidation committee shall hand over the liquidation affairs to the bankruptcy administrator appointed by the people's court.

Upon completion of the liquidation, the liquidation committee shall prepare a liquidation report and submit it to the general meeting or the people's court for confirmation, and to the company registration authority for the application of cancelation of company registration. When performing the duties in relation to the liquidation, members of the liquidation committee shall bear the duties of loyalty and diligence. If members of the liquidation committee are reluctant in performing their liquidation duties and cause losses to the company, they shall be liable for compensation; members of the liquidation committee who have caused the creditors to suffer from any loss due to intentional fault or gross negligence, should be liable for making compensations to the company or its creditors. In addition, liquidation of a company declared bankrupt according to laws shall be processed in accordance with the laws on corporate bankruptcy.

OVERSEAS LISTING

Pursuant to the Trial Measures, a Chinese domestic enterprise submitting an IPO application to an overseas competent regulatory authority or an overseas stock exchange shall file with the CSRC within three working days after submission of the application documents. Upon offering and listing overseas, such issuer who offers securities in the same overseas market shall file with the CSRC within three working days upon completion of the offering. Where an issuer, upon listing of its shares overseas, offers its shares in other overseas markets, such issuer shall file in accordance with paragraph 1 of this article. In addition, upon receipt of all compliant filing materials, the CSRC shall complete the filing procedures within 20 working days from the date of receipt of such filing

data, and make public the filing information public on its website. If the filing materials so submitted were identified as incomplete or non-compliant, the CSRC shall make a request to the issuer for supplementary information within 5 working days from the date of receipt of such filing information. The issuer shall submit such supplementary information within 30 working days.

Upon the occurrence of the following major events subsequent to the overseas listing of a Chinese domestic enterprise, it shall report the specific situation to the CSRC within 3 working days from the date of occurrence and announcement of the relevant matters: (i) a change of control; (ii) any investigation or punishment initiated by overseas securities regulatory authorities or relevant competent departments; (iii) a change of listing status or listing venue; (iv) voluntary or involuntary delisting of shares.

SUSPENSION AND TERMINATION OF LISTING

The Company Law has deleted provisions governing suspension and termination of listing. The PRC Securities Law, as revised on December 28, 2019, has also deleted provisions regarding suspension of listing. Where listed securities fall under the delisting circumstances stipulated by the stock exchange, the stock exchange shall terminate its listing and trading in accordance with the business rules.

According to the Trial Measures, in case of active or compulsory termination of listing, the issuer shall report the specific situation to the CSRC within 3 working days from the date of occurrence and announcement of the relevant matters.

SECURITIES LAWS AND REGULATIONS

In October 1992, the State Council established the Securities Committee and CSRC. The Securities Committee is responsible for coordinating the drafting of securities regulations, formulating securities-related policies, planning the development of securities markets, directing, coordinating and supervising all securities-related institutions in the PRC and administering CSRC. CSRC is the regulatory arm of the Securities Committee and is responsible for the drafting of regulatory provisions governing securities markets, supervising securities companies, regulating public offerings of securities by PRC companies in the PRC or overseas, regulating the trading of securities, compiling securities-related statistics and undertaking relevant research and analysis. In April 1998, the State Council consolidated the two committees and reformed CSRC.

On April 22, 1993, the State Council promulgated the Provisional Regulations Concerning the Issue and Trading of Shares (《股票發行與交易管理暫行條例》) governing the application and approval procedures for public offerings of shares, issuing of and trading of shares, the acquisition of listed companies, deposit, clearing and transfer of shares, the disclosure of information, investigation, penalties and dispute resolutions with respect to a listed company.

On December 25, 1995, the State Council promulgated the Special Regulations of the State Council Concerning Domestic Listed Foreign Shares of Joint Stock Limited Companies (《國務院關於股份有限公司境內上市外資股的特別規定》) governing the issue, subscription, trading and declaration of dividends and other distributions of domestic listed foreign shares and disclosure of information of joint stock limited companies having domestic listed foreign shares.

The PRC Securities Law, which was latest amended by the Standing Committee of the NPC on December 28, 2019 and became effective on March 1, 2020, provides a series of provisions on the issue and trading of securities, the takeover by listed companies, and the duties and responsibilities of the securities exchanges, securities companies, securities depository and clearing institutions and securities regulatory authorities, and comprehensively regulates the securities market activities in the PRC. The PRC Securities Law provides that domestic enterprises shall satisfy the relevant requirements of the State Council when it issues shares or lists shares outside the PRC directly or indirectly. Currently, the issue and trading of foreign issued securities (including shares) are principally governed by the regulations and rules promulgated by the State Council and CSRC.

ARBITRATION AND ENFORCEMENT OF ARBITRAL AWARDS

According to the Arbitration Law of the PRC (《中華人民共和國仲裁法》) (the "**PRC Arbitration Law**"), amended by the Standing Committee of the NPC on September 1, 2017 with effect on January 1, 2018, it is applicable to, among other matters, economic disputes involving foreign parties where all parties have entered into a written agreement to resolve disputes by arbitration before an arbitration committee constituted in accordance with the PRC Arbitration Law. An arbitration committee may, before the promulgation of arbitration regulations by the PRC Arbitration Association, formulate interim arbitration provisions in accordance with the PRC Arbitration Law and the PRC Civil Procedure Law. Where the involved parties have agreed to settle disputes by means of arbitration, a people's court will refuse to handle a legal proceeding initiated by one of the parties at such people's court, unless the arbitration agreement has lapsed.

Under the PRC Arbitration Law and PRC Civil Procedure Law, an arbitral award shall be final and binding on the parties involved in the arbitration. If one party fails to comply with the arbitral award, the other party to the award may apply to a people's court for its enforcement. However, the people's court may refuse to enforce an arbitral award made by an arbitration commission if there is any procedural irregularity (including but not limited to irregularity in the composition of the arbitration tribunal, the jurisdiction of the arbitration commission, or the making of an award on matters beyond the scope of the arbitration agreement or outside the jurisdiction of the arbitration commission).

Any party seeking to enforce an award of a foreign affairs arbitration organ of the PRC against a party who or whose property is not located within the PRC may apply to a foreign court with jurisdiction over the relevant matters for recognition and enforcement of the award. Likewise, an arbitral award made by a foreign arbitral body may be recognized and enforced by a foreign court in accordance with any international treaties concluded or acceded to by the PRC or with the principle of reciprocity.

According to the Arrangement of the Supreme People's Court on Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region 《最高人民法院關於 (內地與香港特別行政區相互執行仲裁裁決的安排》) promulgated by the Supreme People's Court on January 24, 2000 and effective on February 1, 2000, and the Supplementary Arrangement of the Supreme People's Court on Mutual Enforcement of Arbitral Awards between the Mainland and the Hong Kong Special Administrative Region 《最高人民法院關於內地與香港特別行政區相互執行仲裁裁決的 (補充安排》) promulgated by the Supreme People's Court on November 26, 2020 and effective on November 27, 2020, awards made by Mainland arbitral authorities can be enforced in Hong Kong, and Hong Kong arbitration awards can also be enforceable in the PRC.

JUDICIAL JUDGMENT AND ITS ENFORCEMENT

According to 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 (《最高人民法院關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排》) promulgated by the Supreme People's Court on July 3, 2008 and effective on August 1, 2008 and repealed on January 29, 2024, as for an enforceable final judgment made by a Mainland court or Hong Kong court concerning a civil and commercial case under a written agreement on jurisdiction, in which payment must be made, the party concerned may, under the Arrangement, apply to a PRC court or a Hong Kong court for recognition and enforcement. The term "written agreement on jurisdiction" refers to agreements clearly stipulated in written form by parties concerned that a Mainland court or Hong Kong court has sole jurisdiction as to the effectiveness of the Arrangement, so as to settle disputes relevant to a certain legal relationship that has either arisen or might arise. Therefore, the party concerned may apply to the Court of Mainland or the court of the Hong Kong Special Administrative Region to recognize and enforce the final judgment made in Mainland or Hong Kong that meet certain conditions of the aforementioned regulations.

On January 25, 2024, the Supreme People's Court issued 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 "**New Arrangement**"), which seeks to establish a mechanism with greater clarity and certainty for recognition and enforcement of judgments in wider range of civil and commercial matters between Hong Kong and the Chinese mainland. The New Arrangement discontinued the requirement for a choice of court agreement for bilateral recognition and enforcement. Meanwhile, the Government of the Hong Kong Special Administrative Region enacted the Mainland Judgments in Civil and Commercial Matters (Reciprocal Enforcement) Ordinance (Cap. 645) with a view to implementing this New Arrangement in the Hong Kong Special Administrative Region through domestic legislative measures. The Ordinance also came into effect on the same day. The New Arrangement superseded the old arrangement from January 29, 2024.

This Appendix mainly provides investors with an overview of the Articles of Association. As the following information is in summary form, it does not include all the information that may be important to investors.

GENERAL PROVISIONS

The Company is a joint stock limited company with perpetual existence and is an independent legal entity.

The entire assets of the Company are divided into equal shares. The Company shall undertake its liabilities with all of its assets, while the liability of a shareholder of the Company shall be limited to the shares subscribed by him/her.

BUSINESS PURPOSE AND SCOPE

The Company's business purpose: our foremost pursuit is to wholeheartedly satisfy customer needs. Through continuous innovation and an unyielding spirit of perseverance, we develop advanced core packaging and testing technologies, thereby establishing the Company as a world-class enterprise in this field.

SHARES

Share Issuance

The Shares of the Company are issued in the form of stock certificates.

The issuance of the Shares of the Company shall be conducted according to principles of fairness and impartiality, with each Share of the same class carrying equal rights.

Shares of the same class issued in the same offering shall have identical terms and prices; any entity or individual subscribing for Shares shall pay the same price per Share.

Share Capital Increase, Reduction and Repurchase

Subject to legal and regulatory requirements, the Company may increase its capital through the following methods upon resolution by the shareholders' meeting, based on operational and developmental needs:

(1) public Share offerings;

(2) private Share placements;

(3) distribution of bonus Shares to existing shareholders;

(4) capitalization of reserves;

(5) other methods prescribed by laws and administrative regulations, or approved by relevant authorities.

The Company may reduce its registered capital. Any reduction shall be conducted in accordance with the Company Law, other relevant provisions, this Articles of Association, and procedures agreed between the Company and its shareholders.

The Company shall not acquire its own Shares, except in any of the following circumstances:

(1) to reduce the Company's registered capital;

(2) to merge with another company holding Shares in the Company;

(3) to use Shares for employee share ownership schemes or equity incentive plans;

(4) where shareholders objects to a resolution passed by the shareholders' meeting concerning the Company's merger or division and requests the Company to acquire their Shares;

(5) conversion of corporate bonds issued by the Company that are convertible into Shares;

(6) where necessary to safeguard the Company's value and shareholders' interests.

The Company may acquire its own Shares through a tender offer, open and centralized transactions, or other methods recognized by laws, administrative regulations, and the CSRC.

Where the Company repurchases its own Shares pursuant to any of the circumstances prescribed in item (3), (5) and (6) of the first paragraph of Article 22 of the Articles of Association, such repurchase shall be conducted through open and centralized transactions.

Where the Company repurchases its own Shares out of the circumstances as stipulated in item (1) and (2) of the first paragraph of Article 22 of the Articles of Association shall be subject to a resolution at the shareholders' meeting; where the Company acquires its own Shares due to the circumstances specified in item (3), (5) and (6) of the first paragraph of Article 22 of the Articles of Association, such acquisition may be authorized by a resolution of the Board of Directors, attended by not less than two-thirds of the Directors, in accordance with the Articles of Association or the authorization of the shareholders' meeting.

Following the acquisition of the Shares of the Company in accordance with the first paragraph of Article 22 of the Articles, where the acquisition falls under item (1), such Shares shall be canceled within ten days from the date of acquisition; where the acquisition falls under item (2) or (4), such Shares shall be transferred or canceled within six months; where the acquisition falls under item (3), (5) or (6), the aggregate number of Shares held by the Company shall not exceed 10% of the total issued share capital of the Company, and such Shares shall be transferred or canceled within three years.

Transfer of Shares

Shares in the Company may be transferred in accordance with the law, except where otherwise agreed between all shareholders and the Company.

The Company shall not accept its own Shares as collateral for pledges.

Shares issued prior to the Company's public offering on a securities exchange may not be transferred within one year from the date of listing. Where laws, administrative regulations, or the securities regulatory authority of the State Council provide otherwise concerning the transfer of Shares held by shareholders or actual controllers of the Company, such provisions shall prevail.

Directors, supervisors, and senior management personnel of the Company shall declare to the Company their holdings of the Shares of the Company and any changes thereto. During the term of office determined upon appointment, the Shares transferred annually shall not exceed 25% of the

total number of Shares of the same class held by them in the Company. Shares held in the Company shall not be transferred within 1 year from the date of listing of the Shares of the Company. Within six months after leaving office, the above-mentioned personnel shall not transfer the Shares of the Company held by them.

Where the Shares are pledged within the transfer restriction period as prescribed by laws and administrative regulations, the pledgee may not exercise the pledge right within the transfer restriction period.

SHAREHOLDERS AND SHAREHOLDERS' MEETINGS

Shareholders

The Company shall maintain a register of shareholders, which shall constitute conclusive evidence of a shareholder's holding of Shares in the Company. Shareholders shall enjoy rights and bear obligations according to the class of Shares held; Shareholders holding Shares of the same class shall enjoy equal rights and bear the same obligations.

When the Company convenes a shareholders' meeting, distributes dividends, undergoes liquidation, or engages in other activities requiring confirmation of shareholder identity, the Board of Directors or the convener of the shareholders' meeting shall determine a record date. Shareholders registered on the record date shall be deemed entitled to the relevant rights and interests.

Shareholders of the Company shall enjoy the following rights:

(1) to receive dividends and other forms of distribution of benefits in proportion to their shareholding;

(2) to lawfully request, convene, preside over, attend, or appoint proxies to attend shareholders' meetings, and exercise corresponding voting rights;

(3) to supervise the Company's operations, and to make suggestions or raise questions;

(4) to transfer, donate or pledge the Shares held by them in accordance with laws, administrative regulations and the Articles of Association;

(5) to inspect and make copy of the Company's articles of association, register of shareholders, minutes of shareholders' meetings, resolutions of board meetings, decisions of the board of supervisors, and financial accounting reports;

(6) to participate in the distribution of the Company's residual assets upon its dissolution or liquidation, in proportion to their shareholding;

(7) for shareholders who object to resolutions passed by the shareholders' meeting concerning the merger or division of the Company, to request the Company to purchase their shares;

(8) other rights stipulated by laws, administrative regulations, departmental rules, the Articles of Association, or otherwise agreed between all shareholders and the Company.

Shareholders requesting access to the information or materials specified in the preceding Article shall provide the Company with written documentation proving the class and number of Shares held. Upon verification of the shareholder's identity, the Company shall provide such information or materials as requested.

Where a shareholder holding, either individually or in aggregate, more than three per cent of the Shares of the Company for a continuous period of one hundred and eighty days or more requests to inspect the Company's accounting books and accounting vouchers, such shareholder shall submit a written request to the Company stating the purpose thereof. Where the Company has reasonable grounds to believe that a shareholder's purpose in inspecting accounting books or accounting vouchers is improper and may harm the Company's lawful interests, it may refuse such inspection. The Company shall provide a written response to the shareholder within fifteen days of the shareholder's written request, stating the reasons. Should the Company refuse inspection, the shareholder may bring proceedings before the People's Court.

Where a shareholder holding, either individually or in aggregate, more than three per cent of the Shares of the Company for a continuous period of one hundred and eighty days or more requests to inspect the Company's accounting books and accounting vouchers, such shareholder may appoint an intermediary institution such as an accounting firm or law firm to do so. Shareholders and their appointed intermediaries, such as accounting firms and law firms, shall comply with relevant laws and administrative regulations concerning the protection of state secrets, commercial secrets, personal privacy, and personal information when inspecting or copying relevant materials.

Where a shareholder requests to inspect or reproduce materials relating to a wholly-owned subsidiary of the Company, the provisions of the preceding three paragraphs shall apply.

Where resolutions passed at shareholders' meetings or board meetings contravene laws or administrative regulations, shareholders shall have the right to petition the People's Court to declare such resolutions invalid.

Where the convening procedures or voting methods of shareholders' meetings or board meetings contravene laws, administrative regulations, or the Articles of Association, or where the content of resolution violates the Articles of Association, shareholders may apply to the People's Court for revocation within 60 days from the date of the resolution. This shall not apply where the convening procedures or voting methods of the shareholders' meeting or board meeting involve only minor defects that did not materially affect the resolution.

Shareholders who were not notified to attend a shareholders' meeting may, within sixty days of the date on which they knew or ought to have known of the adoption of the resolution, apply to the People's Court for its revocation. Where the right of revocation is not exercised within one year of the date of adoption of the resolution, that right shall be extinguished.

Resolutions of the shareholders' meeting or Board of Directors shall be invalid in any of the following circumstances:

(1) where no shareholders' meeting or board meeting was convened to adopt the resolution;

(2) where no vote was taken on the resolution at the shareholders' meeting or board meeting;

(3) where the number of persons present or the number of votes held at the meeting did not meet the quorum or voting rights threshold stipulated in the Articles of Association;

(4) where the number of persons or votes in favor of the resolution did not meet the quorum or voting rights threshold stipulated in these Articles of Association.

Where directors or senior management personnel violate laws, administrative regulations, or the provisions of the Articles of Association while performing their duties, thereby causing losses to the Company, shareholders holding 1% or more of the Shares of the Company individually or collectively for a continuous period of 180 days or more may submit a written request to the supervisors to initiate legal proceedings before the People's Court. Where supervisors violate laws,

administrative regulations, or the provisions of the Articles of Association while performing their duties, thereby causing losses to the Company, shareholders may submit a written request to the Board of Directors to initiate legal proceedings before the People's Court.

Where the supervisors or the Board of Directors, upon receiving the written request from shareholders as prescribed in the preceding paragraph, refuse to initiate legal proceedings, or fail to initiate proceedings within 30 days of receiving the request, or where circumstances are urgent and failure to initiate proceedings immediately would cause irreparable damage to the Company's interests, the shareholders specified in the preceding paragraph shall have the right to initiate legal proceedings directly in their own name before the People's Court for the benefit of the Company.

Where a third party infringes upon the lawful rights and interests of the Company, causing loss to the Company, the shareholders referred to in the first paragraph of this Article may bring legal proceedings before the People's Court in accordance with the provisions of the preceding two paragraphs.

Where directors, supervisors, or senior management personnel of a wholly-owned subsidiary of the Company violate laws, administrative regulations, or the provisions of the Articles of Association in the performance of their duties, causing loss to the Company, or where a third party infringes upon the lawful rights and interests of the wholly-owned subsidiary, causing loss, shareholders who, individually or collectively, hold more than 1% of the Shares of the Company for a continuous period of 180 days or more may, in writing, request the board of supervisors or Board of Directors of the wholly-owned subsidiary to initiate legal proceedings in the People's Court in accordance with the provisions of the preceding three paragraphs, or may initiate legal proceedings directly in their own name in the People's Court.

Where directors or senior management personnel violate laws, administrative regulations, or the provisions of the Articles of Association, thereby harming the interests of shareholders, shareholders may bring legal proceedings before the People's Court.

Shareholders of the Company shall undertake the following obligations:

(1) to comply with laws, administrative regulations, and the Articles of Association;

(2) to pay the share capital in accordance with the Shares subscribed and the method of shareholding;

(3) except as provided by laws or regulations, not to withdraw their share capital;

(4) shall not abuse shareholder rights to the detriment of the Company or other shareholders; nor shall they abuse the Company's independent legal status and shareholders' limited liability to the detriment of the Company's creditors;

(5) shall fulfill other obligations prescribed by laws, administrative regulations, and the Articles of Association.

Where shareholders abuse shareholder rights causing loss to the Company or other shareholders, they shall bear liability for compensation in accordance with the law.

Where shareholders of the Company abuse the Company's independent status as a legal person and the limited liabilities of shareholders for the purposes of evading repayment of debts, thereby seriously damaging the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company. Where shareholders of the Company take advantage of the two or more companies under their control in committing the foregoing acts, each company shall be held jointly liable for the debts of any of them.

Where shareholders holding more than 5% of voting shares of the Company pledge shares held by them, they shall make written reports to the Company on the day on which they pledge their shares.

Where the controlling shareholder or actual controller of the Company does not serve as a director but actually manages the Company's affairs, they shall owe a duty of loyalty to the Company. They shall take measures to avoid conflicts between their own interests and those of the Company and shall not use their position to obtain improper benefits. They shall owe a duty of diligence to the Company. In performing their duties, they shall exercise the reasonable care ordinarily expected of a manager acting in the best interests of the Company.

The controlling shareholder and actual controller of the Company owe fiduciary duty to the Company and its shareholders. The controlling shareholders shall exercise their rights as capital contributors in strict accordance with laws, and the controlling shareholders shall not impair the legitimate rights and interests of the Company and the shareholders by means such as distribution of profits, reorganization of assets, external investment, misappropriation of assets, loan or guarantee, nor make use of their controlling position to impair the interests of the Company and the shareholders.

Where a controlling shareholder or actual controller of the Company instructs directors or senior management to engage in conduct detrimental to the Company or its shareholders, they shall bear joint and several liability with such directors or senior management.

The Company shall prevent its shareholders and related parties from directly or indirectly appropriating the capital and resources of the Company through various means, except in compliance with the relevant requirements of applicable laws, administrative regulations and the Articles of Association.

General Provisions on Shareholders' Meetings

The Shareholders' Meeting is the power organ of the Company and shall exercise the following authorities in accordance with the law:

(1) to elect and replace directors and supervisors who are not representatives of the employees, and to decide on their remuneration;

(2) to consider and approve the report of the Board of Directors;

(3) to consider and approve the reports of the supervisors;

(4) to consider and approve the Company's profit distribution plan and the plan for making up losses;

(5) to pass resolutions on the increase or decrease of the Company's registered capital;

(6) to pass resolutions on the issuance of corporate bonds;

(7) to pass resolutions on the merger, division, dissolution, liquidation of the Company or the change of the Company's form;

(8) to amend the Company's Articles of Association;

(9) to make resolutions on the appointment and dismissal of the accounting firms that undertakes the auditing services of the Company;

(10) to consider and approve the guarantee matters specified in Article 39;

(11) to consider matters concerning the Company's purchase and sale of major assets within one year, where the value of such assets exceeds 30% of the Company's latest audited total assets;

(12) to consider and approve matters concerning the change of the use of raised funds;

(13) to consider the equity incentive plan and the employee shareholding plan;

(14) to consider other matters that shall be decided by the shareholders' meeting as required by laws, administrative regulations, departmental rules or the Articles of Association.

The shareholders' meeting may authorize the Board of Directors to make resolutions on the issuance of corporate bond.

The following external guarantees of the Company shall be considered and approved at the shareholders' meeting:

(1) a single guarantee with an amount exceeding 10% of the Company's latest audited net assets;

(2) any guarantee provided after the total amount of external guarantees of the Company and its controlled subsidiaries has exceeded 50% of the Company's latest audited net assets;

(3) any guarantee provided after the total amount of external guarantees of the Company and its controlled subsidiaries has exceeded 30% of the Company's latest audited total assets;

(4) any guarantees according to the principle of cumulative calculation within 12 consecutive months has exceeding 30% of the Company's latest audited total assets;

(5) any guarantees provided for a guarantor with a gearing ratio of over 70%;

(6) any guarantee provided for shareholders, actual controllers and their related parties;

(7) other guarantees as required by laws and regulations or the Articles of Association.

External guarantee matters subject to shareholders' meeting deliberation shall be approved by a majority of all directors and additionally by more than two-thirds of directors present at the board meeting. When the shareholders' meeting deliberates on guarantee matters under sub-paragraph (4) above, approval shall be granted by a majority of not less than two-thirds of the voting rights held by shareholders present at the meeting.

When the shareholders' meeting deliberates on a proposal to provide guarantees for shareholders, actual controllers, or their affiliates, the relevant shareholder or shareholders controlled by the actual controller shall not participate in the vote on that matter. The proposal shall be passed by a majority of the voting rights held by other shareholders present at the shareholders' meeting. Where the Company provides guarantees for the controlling shareholder, actual controller and their affiliates, the controlling shareholder, actual controller and their affiliates shall provide counter-guarantees.

Transactions between the Company and its controlling subsidiaries or other entities under its control within the scope of consolidated statements, or transactions between the said controlling subsidiaries or other entities under its control, shall be exempted from the requirements of disclosure and fulfillment of the corresponding procedures in accordance with the Articles of Association, except as otherwise provided by laws and regulations.

The following transactions of the Company shall be subject to approval by the shareholders' meeting (excluding the provision of guarantees or financial assistance):

(1) where the total assets involved in the transaction (where both book value and appraised value exist, the higher value shall prevail) account for more than 50% of the Company's latest audited total assets;

(2) where the net asset value of the subject matter of the transaction (e.g., equity) (where both book value and appraised value exist, the higher value shall prevail) accounts for more than 50% of the Company's latest audited net assets, and the absolute amount exceeds RMB50 million;

(3) where the transaction consideration (including assumed liabilities and expenses) represents more than 50% of the Company's latest audited net assets, and the absolute amount exceeds RMB50 million;

(4) where the profit generated by the transaction represents more than 50% of the Company's latest audited net profit for latest accounting year, and the absolute amount exceeds RMB5 million;

(5) where the relevant operating income of the subject matter of the transaction (e.g. equity) in the latest accounting year accounts for more than 50% of the audited operating income of the Company in the latest accounting year, and the absolute amount exceeds RMB50 million;

(6) where the relevant net profit of the subject matter of the transaction (e.g. equity) in the latest accounting year accounts for more than 50% of the audited net profit of the Company in the latest accounting year, and the absolute amount exceeds RMB5 million.

Where the data pertaining to the indicators listed in item (1) to (6) above are negative values, their absolute values shall be used for calculation.

The term "transaction" as used herein encompasses the following types of matters: 1. purchase or sale of assets; 2. external investments (including entrusted financing, investment in subsidiaries, etc.); 3. provision of financial assistance (including interest bearing or non-interest bearing loans and entrusted loans, etc.); 4. provision of guarantees (including those for the controlling subsidiaries, etc.); 5. lease or rental of assets; 6. management of assets and operations by consignment or commission; 7. donating or receiving assets as a gift; 8. restructuring of claims or debts; 9. execution of licensing agreements; 10. transfer or acquisition of research and development projects; 11. waiver of rights (including waiver of preemptive right, priority for invited capital contribution and other rights); 12. transactions recognized by laws, regulations or the Articles of Association.

Transactions falling under any of the following circumstances may be exempt from submission to the shareholders' meeting for deliberation: 1. transactions of the Company involving the receipt of cash assets as gifts or debt relief, which do not involve consideration payments and are not subject to any obligations; 2. transactions of the Company that only meet the criteria specified in item (4) or (6) of the first paragraph of Article 42, and the absolute value of the Company's earnings per share in the latest fiscal year is less than RMB0.05.

Transactions between the Company and its related parties (including assumed liabilities and expenses) exceeding RMB30 million and representing more than 5% of the absolute value of the Company's latest audited net assets shall be submitted to the shareholders' meeting for deliberation.

Transactions between the Company and its related parties that comply with applicable laws and regulations may be exempted from deliberation as related party transactions.

Shareholders' meetings shall be divided into annual shareholders' meetings and extraordinary shareholders' meetings. The annual shareholders' meeting shall be convened once annually and shall be held within 6 months following the conclusion of the preceding financial year.

In case any of the following circumstances occurs, the Company shall convene an extraordinary shareholders' meeting within 2 months as of the date when the relevant fact occurs:

(1) when the number of directors is less than the statutory minimum number specified in the Company Law or two-thirds of that specified in the Articles of Association;

(2) when the Company's uncovered losses reach one-third of the total share capital;

(3) upon request by shareholders holding individually or collectively 10% or more of the Shares of the Company;

(4) when the Board of Directors deems it necessary;

(5) when the board of supervisors propose to convene the meeting;

(6) in other circumstances as provided for by laws, administrative regulations, departmental rules, or the Articles of Association.

The venue for the Company's shareholders' meetings shall be: the place of its domicile or such other place as may be designated by the Board of Directors.

Shareholders' meetings shall be convened in the form of an in-person meeting with a physical venue established. The Company shall also provide electronic communication methods to facilitate shareholders' participation in shareholders' meetings. Shareholders participating in shareholders' meetings through the aforementioned methods shall be deemed to be present.

Convening of the Shareholders' Meeting

Shareholders' meetings shall be convened by the Board of Directors, and presided over by the chairman of the Board. In the event that the chairman is incapable of performing or fails to perform his/her duties, a director nominated by more than half of the directors shall preside over the meeting.

Where the Board of Directors fails or refuses to perform its duty to convene a Shareholders' meeting, the Supervisors shall convene and preside over the meeting in a timely manner. If the Supervisors fail to do so, shareholders individually or jointly holding more than 10% of the Company's shares for a continuous period of not less than 90 days may convene and preside over the meeting themselves.

The Supervisors shall have the right to propose that the Board of Directors convene an extraordinary shareholders' meeting, and such proposal shall be submitted to the Board of Directors in writing. The Board of Directors shall, in accordance with applicable laws, administrative regulations, and these Articles of Association, decide within 10 days of receiving the written proposal whether to convene the extraordinary shareholders' meeting and shall provide a written reply to the Supervisors.

If the Board of Directors agrees to convene the meeting, it shall issue a notice of the meeting within 5 days of making that decision. Any changes to the original proposal contained in the notice shall be subject to the consent of the Supervisors.

Where the Board of Directors refuses to convene an extraordinary shareholders' meeting or fails to respond within 10 days of receiving a request, it shall be deemed to have declined to convene the meeting. In such circumstances, the Supervisors may convene and preside over the meeting themselves.

Shareholders who individually or jointly hold more than 10% of the Company's shares shall have the right to request the Board of Directors or the Supervisors to convene an extraordinary shareholders' meeting, and shall submit such request in writing to the Board of Directors. The Board of Directors or the Supervisors shall, in accordance with applicable laws, administrative regulations, and these Articles of Association, decide within 10 days of receipt of the request whether to convene the extraordinary shareholders' meeting and shall provide a written response to the shareholders.

Where the Board of Directors or the Supervisors consent to convene the extraordinary shareholders' meeting, a notice of meeting shall be issued within 5 days from the date of such decision. Any amendment to the original proposal contained in the shareholders' request shall be subject to the consent of the requesting shareholders.

Where both the Board of Directors and the Supervisors decline to convene the extraordinary shareholders' meeting, or fail to respond within 10 days of receipt of the request, it shall be deemed that neither the Board of directors nor the Supervisors will convene or preside over the meeting. In such circumstances, shareholders who individually or jointly hold more than 10% of the Company's shares for a continuous period of not less than 90 days may convene and preside over the meeting themselves.

Any supervisor or shareholder who convenes an extraordinary shareholders' meeting independently shall notify the Board of Directors in writing.

Before any resolutions are adopted at such Shareholders' meeting, the aggregate shareholding of the convening shareholders shall not be less 10%.

When issuing the notice of the Shareholders' meeting and disclosing the resolutions, the Supervisor or convening shareholders shall submit relevant supporting documents to the Company.

The Board of Directors and the Board secretary shall provide full cooperation in connection with any Shareholders' meeting convened independently by the Supervisors or shareholders, and shall provide the register of members as of the record date.

All reasonable and necessary expenses incurred in connection with Shareholders' meetings convened independently by the Supervisors or shareholders shall be borne by the Company.

Proposals and Notices of the Shareholders' Meeting

The Board of Directors, the Supervisors, and shareholders who individually or jointly hold more than 1% of the Company's shares shall be entitled to propose a resolution to the Company for consideration at the shareholders' meeting of the Company.

Shareholders who individually or jointly hold more than 1% of the Company's shares shall be entitled to propose a resolution in writing to the Board of Directors at least 10 days prior to the convening of the shareholders' meeting. Any proposed resolution shall specify a clear agenda item and the specific matters to be resolved. Upon receipt of such proposal, the Board of Directors shall notify other shareholders within 2 days and submit the interim proposal to the shareholders' meeting for consideration, unless such interim proposal violates laws, administrative regulations, or these Articles of Association, or falls outside the scope of authority of the shareholders' meeting.

Except as provided in the preceding paragraph, after the notice of the shareholders' meeting has been issued, the convener shall not amend any proposal already included in the notice, nor shall any new proposal be added.

The shareholders' meeting shall not adopt any resolution on matters that are not included in the notice of the meeting.

The convener shall give written notice of the annual shareholders' meeting to all shareholders at least 20 days prior to the convening of the meeting, and written notice of an extraordinary shareholders' meeting at least 15 days prior to the convening of the meeting.

For the purpose of calculating the notice period, the date of the meeting shall not be included in the calculation.

The notice of the shareholders' meeting shall include the following particulars:

(1) The time, venue, and duration of the meeting;

(2) The matters and proposals to be submitted for consideration at the meeting;

(3) A clear statement that all shareholders are entitled to attend the shareholders' meeting and may appoint a proxy in writing to attend and vote on their behalf, and that such proxy need not be a shareholder of the Company;

(4) The record date for determining shareholders entitled to attend the shareholders' meeting;

(5) The name and contact number of the permanent contact person responsible for meeting affairs;

(6) The time and procedures for electronic or other forms of voting.

The notice and any supplemental notice of the Shareholders' meeting shall fully and accurately disclose the specific contents of all proposals to be considered at the meeting.

After the notice of the shareholders' meeting has been issued, the meeting shall not be postponed or canceled without justifiable cause, and the proposals listed in the notice shall not be withdrawn. In the event that the meeting is postponed or canceled, the convener shall provide written notice stating the reasons for such postponement or cancelation at least 2 business days prior to the originally scheduled meeting date.

Where the shareholders' meeting is postponed, the Company shall issue an announcement specifying the rescheduled meeting date.

Convening of Shareholders' Meetings

All shareholders whose names appear on the register of members as of the record date, or their duly appointed proxies, shall be entitled to attend the shareholders' meeting and to exercise their voting rights in accordance with applicable laws, administrative regulations, and these Articles of Association.

Shareholders may attend the shareholders' meeting in person or appoint a proxy in writing to attend and vote on their behalf.

When a shareholders' meeting is convened, all Directors, Supervisors, and the Board secretary of the Company shall attend the meeting. The general manager and other senior management personnel shall attend the meeting as non-voting participants, unless prevented from doing so by objective circumstances.

Where the presiding officer violates the rules of procedure during a shareholders' meeting, rendering the meeting unable to proceed, the shareholders present at the meeting holding a majority of the voting rights may, with their consent, elect 1 person to serve as the presiding officer, and the meeting shall continue.

The Company shall establish Rules of Procedure for Shareholders' Meetings, which shall set forth in detail the procedures for convening and voting at such meetings. These shall include provisions for notice, registration, proposal deliberation, voting, ballot counting, announcement of voting results, formation of meeting resolutions, meeting minutes and their signing, as well as the principles for authorizing the Board of Directors by the shareholders' meeting. The scope of such authorizations shall be clearly and specifically defined. The Rules of Procedure for Shareholders' Meetings shall be drafted by the Board of Directors and approved by the shareholders' meeting, serving as an appendix to the Articles of Association.

Voting and Resolutions at the Shareholders' Meeting

Resolutions considered at shareholders' meetings are categorized as ordinary resolutions and special resolutions.

An ordinary resolution at a shareholders' meeting shall be adopted by a simple majority of the voting rights held by shareholders (including proxies) present at the meeting.

A special resolution at a shareholders' meeting shall be adopted by a two-thirds majority or more of the voting rights held by shareholders (including proxies) present at the meeting.

The following matters shall be approved by an ordinary resolution of the shareholders' meeting:

(1) Work reports of the Board of Directors and Supervisors;

(2) Profit distribution and loss compensation plans proposed by the Board of Directors;

(3) Appointment, removal, remuneration, and methods of payment for members of the Board of Directors and supervisors;

(4) Annual reports of the Company;

(5) Review and approval of other material matters exceeding the investment and decision-making authority of the Board of Directors as stipulated in these Articles of Association;

(6) Other matters not required by laws, administrative regulations, or these Articles of Association to be adopted by special resolution.

The following matters shall be approved by a special resolution of the shareholders' meeting:

(1) Increase or reduction of the Company's registered capital;

(2) Company division, spin-off, merger, dissolution, or liquidation;

(3) Amendments to these Articles of Association;

(4) Purchase or sale of major assets, or provision of guarantees within one year where the amount exceeds 30% of the Company's latest audited total assets (calculated based on the higher of total assets or transaction value, and aggregated cumulatively over any consecutive 12-month period by transaction type);

(5) Adoption of equity incentive schemes;

(6) Major asset restructuring;

(7) Other matters as stipulated by laws, administrative regulations, or these Articles of Association, or matters that, as determined by an ordinary resolution of the shareholders' meeting, may have a material impact on the Company and therefore require approval by special resolution.

Specifically, the following matters shall be approved only by unanimous resolution of all shareholders:

(1) The sale of the entire Company at a valuation below RMB6 billion at the time of sale;

(2) The relocation of the registered address of the Company, any current or future listed entity controlled or effectively controlled by the Company, or any wholly-owned domestic operating subsidiary of such listed entity (if the listed entity is an overseas entity) outside Pukou District, Nanjing City.

Shareholders (including proxies) shall exercise voting rights in proportion to the number of voting shares they hold, with each share carrying one vote.

Shares held by the Company in its own name shall not carry voting rights, and such shares shall not be included in the total number of voting shares present at the shareholders' meeting.

When the shareholders' meeting considers matters involving connected transactions, related shareholders shall abstain from voting, and the number of voting shares they represent shall not be included in the total number of valid votes. The resolution adopted by the shareholders' meeting shall fully disclose the voting results of the non-connected shareholders.

Recusal and disclosure procedures for related shareholders: Prior to issuing the notice of the shareholders' meeting, the convener shall determine whether the matters proposed for consideration constitute connected transactions in accordance with applicable laws and regulations. If the convener determines that a proposed matter constitutes a connected transaction, the convener shall notify the connected shareholders in writing, and disclose the identity and circumstances of the connected parties involved in the proposed resolutions in the materials distributed for the shareholders' meeting.

BOARD OF DIRECTORS

Directors

A Director of the Company shall be a natural person. Any individual who meets any of the following conditions shall be ineligible to serve as a Director of the Company:

(1) Lacking full or limited capacity for civil conduct;

(2) Having been sentenced for crimes such as corruption, bribery, embezzlement, misappropriation of property, or disruption of the socialist market economic order or having been deprived of political rights due to criminal offenses, where the period of service has not yet expired for 5 years, or having been granted probation, where the probationary period has not yet expired for 2 years;

(3) Having served as a director, factory manager, or manager of a company or enterprise that underwent bankruptcy liquidation, and bearing personal responsibility for such bankruptcy, where less than 3 years have elapsed since the completion of the bankruptcy liquidation;

(4) Having served as the legal representative of a company or enterprise whose business license was revoked or which was ordered to close due to violations of law, and bearing personal responsibility for such actions, where less than 3 years have elapsed since the revocation or closure;

(5) Having been listed by a People's Court as a discredited executor for failure to repay a significant debt upon maturity;

(6) Being subject to a market entry ban imposed by the CSRC, where the ban period has not yet expired;

(7) Other circumstances prescribed by laws, administrative regulations, or departmental rules.

The election, appointment, or engagement of any director in violation of this Article shall be invalid.

If a Director becomes subject to any of the above disqualifying circumstances during their term of office, the Company shall remove such director from office.

Directors shall be elected or replaced by the shareholders' meeting and may be removed by the shareholders' meeting before the expiration of their term. The term of office for each director shall be 3 years, and directors may be re-elected upon the expiration of their term.

The term of a Director shall commence on the date of assumption of office and expire upon the conclusion of the term of the current Board of Directors. In the event that a Director's term expires and a new election has not been held in a timely manner, the original Director shall continue to perform their duties in accordance with applicable laws, administrative regulations, departmental rules, and these Articles of Association until the newly elected Director assumes office.

A Director may resign before the expiration of their term by submitting a written resignation report to the Board of Directors. The Board of Directors shall notify relevant parties within 2 days of receiving such resignation.

If a director's resignation causes the Board of Directors to fall below the statutory minimum number, the resigning director shall continue to perform their duties in accordance with applicable laws, administrative regulations, departmental rules, and these Articles of Association until the newly elected director assumes office.

Except as provided in the preceding paragraph, a Director's resignation shall take effect upon delivery of the resignation report to the Board of Directors.

Upon the effective date of resignation or expiration of term, Directors shall complete all handover procedures with the Board of Directors. A Director's fiduciary duties to the Company and its shareholders shall not automatically terminate upon the end of their term. Their obligation to maintain confidentiality regarding the Company's trade secrets, technical secrets, and other insider information shall remain in effect after their tenure ends, until such information becomes public knowledge. The duration of other obligations shall be determined in accordance with the principle of fairness, taking into account the time elapsed between the occurrence of the relevant event and the director's departure, as well as the circumstances and conditions under which the director's relationship with the Company was terminated.

Board of Directors

The Company shall establish a Board of Directors, which shall be accountable to the Shareholders' Meeting.

The Board of Directors shall consist of 9 Directors and shall elect one Chairman from among its members. The Board shall comprise executive Directors (including one employee Director democratically elected by the Company's employee representative assembly), non-executive Directors, and independent Directors. The number of independent directors shall be no fewer than 3 and shall constitute no less than one-third (1/3) of the total number of Directors. At least one independent Director shall possess appropriate professional qualifications or expertise in accounting or financial management. All independent Directors shall maintain independence.

Independent Directors shall perform their duties independently and objectively, free from influence of major shareholders, actual controllers, or any other entities or individuals with interests connected to the Company or its major shareholders or actual controllers.

Independent directors shall ensure that they have sufficient time, capacity, and commitment to effectively perform their duties and responsibilities as independent Directors.

The Board of Directors shall exercise the following powers:

(1) Convene shareholders' meetings and report on its work to the shareholders;

(2) Implement resolutions adopted by the shareholders' meeting;

(3) Determine the Company's business plans and investment proposals;

(4) Formulate the Company's annual financial budget and final accounts;

(5) Formulate the Company's profit distribution and loss compensation plans;

(6) Formulate plans for increasing or reducing the registered capital, issuing bonds or other securities, and listing of the Company;

(7) Formulate plans for major acquisitions, repurchase of the Company's own shares, or mergers, divisions, dissolution, and changes in the Company's corporate form;

(8) Decide, within the scope authorized by the shareholders' meeting, on matters such as the Company's external investments, acquisition or disposal of assets, asset mortgages, external guarantees, entrusted wealth management, connected transactions, and external donations;

(9) Decide on the establishment of the Company's internal management structure;

(10) Decide on the appointment or removal of the Company's managers, Board secretary, and other senior management personnel, and determine their compensation and disciplinary matters; based on the general manager's nomination, decide on the appointment or removal of deputy general managers, chief financial officer, and other senior management personnel, and determine their corresponding compensation and disciplinary matters;

(11) Formulate the Company's fundamental management systems;

(12) Formulate proposals for amendments to these Articles of Association;

(13) Oversee and manage the Company's information disclosure matters;

(14) Propose to the shareholders' meeting the appointment or replacement of the accounting firm responsible for the Company's audit;

(15) Review work reports from the Company's managers and inspect and evaluate their performance;

(16) Decide on the provision of collateral or security, including mortgages or pledges of the Company's assets, to secure the Company's financing or loan arrangements;

(17) Exercise other powers prescribed by laws, administrative regulations, departmental rules, these Articles of Association, or granted by the shareholders' meeting.

Resolutions of the Audit Committee shall be adopted by a majority vote of its members.

Voting on Audit Committee resolutions shall be conducted on a one-person-one-vote basis.

The Board of Directors shall obtain the approval of a majority of all members of the Audit Committee before adopting resolutions on the following matters: (1) disclosure of financial information in financial accounting reports and periodic reports, and internal control evaluation reports; (2) engagement or removal of accounting firms responsible for auditing the Company; (3) appointment or removal of the Company's chief financial officer; (4) making changes to accounting policies or accounting estimates, or corrections of material accounting errors for reasons other than amendments to accounting standards; (5) other matters as specified by the securities regulatory authority or the securities regulatory rules applicable to the jurisdiction in which the Company's shares are listed.

The Audit Committee shall consist of no fewer than 3 Directors, all of whom shall be non-executive Directors, with independent directors forming the majority. Members of the Audit Committee shall not hold any other positions within the Company apart from their directorships and shall not have any relationships with the Company that could impair their independent or objective judgment. At least one member of the Audit Committee shall be an independent Director possessing appropriate professional qualifications or expertise in accounting or financial management. The Chairperson (convener) of the Audit Committee shall be an independent Director with accounting expertise.

The Audit Committee shall exercise the following powers and perform the following duties:

(1) Propose the appointment or replacement of external audit institutions and supervise and evaluate their performance;

(2) Oversee the formulation and implementation of the Company's internal audit system;

(3) Communicate with external auditors on material matters as necessary;

(4) Review the Company's financial information and its disclosure;

(5) Examine and evaluate the Company's internal control system;

(6) Review and assess the Company's major connected transactions;

(7) Report to the Board of Directors on the committee's work, and submit a written report at least once annually;

(8) Exercise any other powers delegated by the Board of Directors and perform other duties as stipulated by applicable laws and regulations.

The Board of Directors shall determine the authority and scope for matters involving external investments, asset acquisitions and disposals, asset pledges, external guarantees, entrusted well management, connected transactions, and external donations. The Board shall establish rigorous review and decision-making procedures for such matters. For major investment projects, the Board of Directors shall organize evaluations by relevant experts and professionals and report to the shareholders' meeting for approval.

The Board of Directors shall have the following investment and decision-making authority:

(1) Review and approve the following non-connected transactions:

1. Transactions in which the total asset value involved (based on the higher of carrying value or appraised value) exceeds 10% of the Company's latest audited total assets;

2. Transactions in which the net asset value of the transaction target (such as equity), based on the higher of carrying value or appraised value, exceeds 10% of the Company's latest audited net assets, and the absolute amount exceeds RMB10 million;

3. Transactions in which the total transaction amount (including assumed liabilities and expenses) exceeds 10% of the Company's latest audited net assets, and the absolute amount exceeds RMB10 million;

4. Transactions where the profit generated represents more than 10% of the Company's latest audited net profit, and the absolute amount exceeds RMB1 million;

5. Transactions in which the revenue generated by the transaction target (such as equity) in the latest fiscal year exceeds 10% of the Company's audited revenue for that fiscal year, and the absolute amount exceeds RMB10 million;

6. Transactions in which the net profit attributable to the transaction target (such as equity) in the latest fiscal year exceeds 10% of the Company's audited net profit for that fiscal year, and the absolute amount exceeds RMB1 million.

If any of the amounts in the above criteria are negative, their absolute values shall be used for calculation.

(2) Guarantee matters other than those required to be reviewed by the Shareholders' Meeting as stipulated in these Articles of Association;

(3) Connected transactions that, in accordance with applicable laws, regulations, and these Articles of Association, shall be reviewed by the Board of Directors;

(4) Other matters that, in accordance with laws, regulations, and these Articles of Association, are required to be reviewed by the Board of Directors.

Resolutions of the Board of Directors shall, in general, be adopted by a majority vote of all directors. However, the following matters shall be approved by at least two-thirds (2/3) of all directors before implementation:

(1) Formulation of plans for increasing or decreasing the Company's registered capital, issuing bonds or other securities, and listing the Company;

(2) Formulation of plans for major acquisitions, repurchase of the Company's own shares, mergers, divisions, dissolution, or changes in the Company's legal form;

(3) External guarantee matters;

(4) Formulation of plans for amendments to these Articles of Association;

(5) Major related-party transactions proposed for submission to the Shareholders' Meeting for consideration;

(6) Proposals to be submitted to the shareholders' meeting for review and approval by special resolution.

The Board of Directors shall have one Chairman, who shall be elected by a majority vote of all directors.

The Chairman shall exercise the following powers:

(1) Preside over shareholders' meetings, and convene and preside over meetings of the Board of Directors;

(2) Supervise and inspect the implementation of resolutions adopted by the Board of Directors;

(3) Sign the Company's stocks, bonds, and other securities;

(4) Sign resolutions of the Board of Directors and other documents that require the signature of the Company's legal representative;

(5) Exercise the powers of the legal representative;

(6) During emergencies arising from extraordinary natural disasters or other force majeure events, exercise special disposal authority over Company affairs in accordance with legal provisions and in the best interests of the Company, and report promptly to the Board of Directors and the shareholders' meeting thereafter;

(7) Exercise other powers as may be delegated by the Board of Directors.

Independent Director

The Company shall establish an independent director system in accordance with laws, administrative regulations, departmental rules, management measures stipulated by the State Council's securities regulatory authority, and other relevant provisions, subject to approval by the shareholders' meeting. An independent director refers to a director who does not hold any other position within the Company besides that of director, and who has no direct or indirect interests with the Company, its major shareholders, or actual controllers, nor any other relationship that may impede their ability to exercise independent and objective judgment.

The Company shall establish independent directors among the Board of Directors. The number of independent directors shall not be less than one-third of the Board, and shall not be fewer than three persons, one of whom must possess appropriate professional qualifications or appropriate accounting or equivalent financial management expertise. Independent directors shall perform their duties independently, free from influence by the Company's major shareholders, controlling shareholders, actual controllers, or any other entities or individuals with interests in the Company and its major shareholders, controlling shareholders, or actual controllers.

The term of office for independent directors shall be the same as that for other directors of the Company. Upon expiry of their term, they may be re-elected for consecutive terms, provided that the total consecutive tenure shall not exceed six years.

General Manager and Other Senior Management Personnel

The Company shall have one general manager, who shall be appointed or dismissed by the Board of Directors.

The Company shall appoint several deputy general managers, one chief financial officer, one Board secretary, and several other senior management personnel as determined by the Board of Directors. Such appointments and dismissals shall be made by the Board of Directors.

Directors may be appointed to concurrently serve as general manager, deputy general manager, chief financial officer, or other senior management personnel.

The provisions of Article 91 of the Articles of Association concerning disqualifications for directors shall apply mutatis mutandis to senior management personnel.

The provisions of Article 93 concerning directors' fiduciary duties and those of item (3), (4), (6) and (8) of Article 94 concerning their duty of diligence shall apply mutatis mutandis to senior management personnel.

The term of office for the general manager shall be three years, and the general manager may be reappointed for successive terms.

The general manager shall be responsible to the Board of Directors and exercise the following powers:

(1) to preside over the Company's production, operation and management work, organize the implementation of the resolutions of the Board of Directors, and report work to the Board of Directors;

(2) to organize the implementation of the Company's annual business plan and investment plan;

(3) to draw up a plan for the establishment of the Company's internal management institutions;

(4) to draw up the Company's basic management systems;

(5) to formulate the Company's specific rules and regulations;

(6) to propose to the Board of Directors the appointment or dismissal of the Company's deputy managers and chief financial officer;

(7) to decide on the appointment or dismissal of responsible management personnel other than those whose appointment or dismissal shall be decided by the Board of Directors;

(8) other powers granted by the Company's Articles of Association or the Board of Directors.

Deputy general managers, chief financial officers, and other senior management personnel designated by the Board of Directors shall be nominated by the general manager and appointed or dismissed by the Board of Directors. Deputy general managers shall assist the general manager in his duties. The Company shall stipulate the appointment and removal procedures of deputy general manager, chief financial director and other senior management personnel and their relationship with the general manager in the working rules for the general manager, and stipulate the powers and responsibilities of the above-mentioned senior management personnel.

The Company shall appoint a Board secretary who shall be responsible for matters such as the preparation for the shareholders' meetings and Board meetings, the safekeeping of documents, and the management of the Company's shareholder information.

The Board secretary shall abide by the relevant provisions of laws, administrative regulations, departmental rules and the Articles of Association.

Supervisor

The circumstances under which individuals may not serve as directors, as stipulated in Article 91 of these Articles of Association, shall also apply to supervisors.

Directors, managers and other senior management personnel shall not concurrently serve as supervisors.

The term of office of supervisors is 3 years. Upon the expiration of the term of supervisor, a supervisor may be re-elected.

FINANCIAL ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND AUDITING

Financial Accounting System

The Company formulates its financial and accounting systems in accordance with laws, administrative regulations and the requirements of relevant state departments.

When distributing the current year's post-tax profits, the Company shall set aside 10% of such profits to form the statutory reserve fund. Should the accumulated amount of the statutory reserve fund reach or exceed 50% of the Company's registered capital, no further contributions shall be required.

Where the statutory reserve of the Company is insufficient to cover losses incurred in prior years, losses shall first be offset against the current year's profits before the statutory reserve is set aside in accordance with the preceding paragraph.

Following the extraction of statutory reserves from the Company's post-tax profits, the shareholders' meeting may further resolve to allocate discretionary reserves from the remaining post-tax profits.

The remaining after-tax profits of the Company after offsetting losses and making provisions for reserves shall be distributed among shareholders in proportion to their shareholdings, save as otherwise provided for in the Articles of Association.

Where the Company distributes profits to its shareholders in violation of the provisions of the Articles of Association, the shareholders shall return the profits distributed in violation of the provisions to the Company; and if any losses are caused to the Company, the shareholders and the responsible directors, supervisors and senior management personnel shall be liable for compensation.

If the shareholders' meeting adopts a resolution on distributing profits, the Board of Directors shall make the distribution within six months from the date on which the resolution is passed at the shareholders' meeting.

Shares of the Company held by the Company do not participate in the distribution of profits.

The Company's reserve fund shall be utilized to offset losses, expand production and operations, or be converted to increase the Company's registered capital.

To make up for the losses of the Company, discretionary reserves and statutory reserves shall be utilized first; should these prove insufficient, capital reserves may be employed in accordance with regulations.

When statutory reserves are converted to increase registered capital, the retained portion of such reserves shall not be less than 25% of the Company's registered capital prior to the conversion.

Following the resolution of the profit distribution plan by the Company's shareholders' meeting, or upon the Board of Directors formulating a specific plan based on the interim dividend conditions and upper limits approved at the annual shareholders' meeting for the following year, the distribution of dividends (or shares) must be completed within six months.

The Company's profit distribution policy is as follows: attach importance to reasonable investment returns to investors and be beneficial to the long-term development of the Company. The Company may distribute dividends in cash or other reasonable ways.

Internal Audit

The Company implements the internal auditing system and appoints full-time auditors to supervise the internal audit of the Company's financial revenues and expenditures and economic activities.

The internal auditing system of the Company and the duties of its auditors shall be implemented after being approved by the Board of Directors. The person in charge of auditing shall be accountable to and report to the Board of Directors.

Engagement of Accounting Firm

The Company shall engage an accounting firm that complies with the provisions of the Securities Law to conduct business such as auditing of accounting statements, verification of net assets, and other related consulting services. The term of engagement is one year and it may be re-engaged.

The engagement of the accounting firm by the Company shall be decided by the shareholders' meeting. The Board of Directors shall not appoint an accounting firm before the shareholders' meeting makes a decision.

The Company shall ensure that it provides the engaged accounting firm with true and complete accounting vouchers, accounting books, financial accounting reports, and other accounting materials, and shall not refuse to provide, conceal, or make false reports of such materials.

The remuneration of the accounting firm shall be decided by the shareholders' meeting.

MERGER, DIVISION, INCREASE OR DECREASE OF REGISTERED CAPITAL, DISSOLUTION AND LIQUIDATION

Merger, Division, and Increase or Decrease of Registered Capital

The merger of the company may proceed by either merger by absorption or merger by the establishment of a new company.

A company absorbing another company constitutes a merger by absorption, whereby the absorbed company is dissolved. Two or more companies merging to establish a new company constitutes merger by the establishment of a new company, whereby all merging parties are dissolved.

In the event of a merger, the parties to the merger shall enter into a merger agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within 10 days from the date of the Company's resolution on merger and shall make an announcement on newspapers that complies with legal provisions or the National Enterprise Credit Information Publicity System within 30 days from the date of the Company's resolution on merger.

Creditors have the right to, within 30 days after receipt of such notice, or within 45 days from the date of the first announcement on newspapers for those who do not receive such notice, demand that the Company repay their debts or provide a corresponding guarantee for such debts.

Upon the merger of companies, the claims and liabilities of the merging parties shall be assumed by the surviving company or the newly established company.

Upon the division of a company, its assets shall be divided accordingly.

Where the Company is divided, a balance sheet and an inventory of assets shall be prepared. The Company shall notify creditors within ten days of the resolution to divide and shall publish an announcement in newspapers that complies with legal provisions or on the National Enterprise Credit Information Publicity System within thirty days.

The liabilities incurred prior to the division shall be jointly and severally borne by the companies resulting from the division. However, this shall not apply where the Company has reached a written agreement with creditors regarding the settlement of debts prior to the division.

When the Company reduces its registered capital, it shall prepare a balance sheet and an inventory of assets.

The Company shall notify creditors within 10 days of the shareholders' meeting passing the resolution to reduce registered capital, and shall publish an announcement within 30 days in newspapers that complies with legal provisions or on the National Enterprise Credit Information Publicity System. Creditors shall have the right to demand the Company to settle debts or provide corresponding security within 30 days of receiving notification, or within 45 days of the announcement date if no notification was received.

In principle, when reducing its registered capital, the Company shall reduce its Shares proportionally according to the shareholders' shareholdings. However, upon the occurrence of a liquidation event as separately stipulated in a shareholders' agreement signed by all shareholders, the Company may, in accordance with the shareholders' agreement, make targeted reductions to the investor shareholders.

Dissolution and Liquidation

The Company shall be dissolved for the following reasons:

(1) the expiration of the business term stipulated in the Company's Articles of Association or the occurrence of other dissolution events specified in the Company's Articles of Association;

(2) dissolution upon resolution of the shareholders' meeting;

(3) dissolution required due to the merger or division of the Company;

(4) being legally revoked of its business license, ordered to be closed down or being canceled;

(5) where there are serious difficulties in the Company's operation and management, and the continued existence of the Company will cause significant losses to the interests of the shareholders, and the issue cannot be resolved through other channels, shareholders holding more than 10% of the total voting rights the Company may request the People's Court at the Company's registered location to dissolve the Company.

When the Company encounters the dissolution events specified in the preceding paragraph, it shall publicize the reasons for dissolution through the National Enterprise Credit Information Publicity System within 10 days.

Where the Company falls under the circumstances specified in the item (1) and (2) of the first paragraph of the preceding Article and has not yet distributed its assets to shareholders, it may continue to exist by amending the Articles of Association or by resolution of the shareholders' meeting.

Amendments to these Articles of Association or resolutions of the shareholders' meeting pursuant to the preceding paragraph shall be passed by a majority of not less than two-thirds of the voting rights held by shareholders present at the shareholders' meeting.

If the Company is dissolved due to the provisions of item (1), (2), (4) and (5) of the first paragraph of Article 179 of the Articles of Association, it shall be liquidated. The directors shall be the persons responsible for the liquidation of the Company and shall form a liquidation committee to conduct the liquidation within fifteen days of the occurrence of the dissolution event. The liquidation committee shall consist of directors, unless otherwise provided for in the Articles of Association or unless the shareholders' meeting resolves to appoint other persons. Where the persons responsible for liquidation fail to perform their liquidation duties in a timely manner, thereby causing loss to the Company or its creditors, they shall bear liability for compensation.

Where the Company is required to undergo liquidation pursuant to the preceding paragraph but fails to establish a liquidation committee within the prescribed timeframe, or fails to conduct liquidation after establishing such a committee, interested parties may apply to the People's Court for the appointment of relevant persons to form a liquidation committee for the purpose of liquidation. The People's Court shall accept such application and promptly organize the liquidation committee to conduct the liquidation.

Where the Company is dissolved pursuant to the provisions of item (4) of the first paragraph of Article 179 of the Articles of Association, the department or company registration authority that makes the decision to revoke its business license, order its closure or revocation may apply to the People's Court to designate relevant personnel to form a liquidation committee to carry out liquidation.

During the liquidation period, the liquidation committee shall exercise the following functions and duties:

(1) to ascertain the Company's assets and separately prepare a balance sheet and an inventory of assets;

(2) to notify creditors by sending notice or by making an announcement;

(3) to deal with and settle the company's outstanding business deals relating to the liquidation;

(4) to settle outstanding taxes or the taxes incurred in the liquidation process;

(5) to ascertain all claims and debts;

(6) to dispose of the remaining assets of the Company after the repayment of debts;

(7) to represent the Company in any civil proceedings.

The liquidation committee shall notify creditors within 10 days from the date of its establishment and make an announcement on newspapers that complies with legal provisions or the National Enterprise Credit Information Publicity System within 60 days from such date. Creditors should, within 30 days after receipt of the notice, or within 45 days from the date of the announcement for those who do not receive the notice, submit their claims to the liquidation committee.

Creditors declaring its claims shall state the relevant particulars of the claim and furnish supporting documentation. The liquidation committee shall register such claims.

During the period for declaring claims, the liquidation committee shall not make any payments to creditors.

After checking the Company's assets and preparing a balance sheet and an inventory of assets, the liquidation committee shall formulate a liquidation plan and submit to the shareholders' meeting or the People's Court for confirmation.

After paying the liquidation cost, staff salary, social insurance, statutory compensation and the outstanding taxes respectively, and after repayment of its debts, the remaining assets of the Company shall be distributed to the shareholders in proportion to their respective shareholdings.

During the liquidation period, the Company shall continue to exist but shall not carry out any business activities not relating to liquidation.

The assets of the Company shall not be distributed to the shareholders before the repayment in accordance with provisions of the preceding paragraph.

Where, after ascertaining the Company's assets, preparing the balance sheet and inventory of property, the liquidation committee finds that the Company's assets are insufficient to discharge its debts, it shall apply to the People's Court for bankruptcy liquidation in accordance with the law.

Upon acceptance of the bankruptcy application by the People's Court, the liquidation committee shall transfer the liquidation affairs to the bankruptcy administrator appointed by the People's Court.

Following the completion of liquidation, the liquidation committee shall prepare a liquidation report and submit it to the shareholders' meeting or the People's Court for confirmation. The liquidation committee shall also submit the report to the company registration authority for application for deregistration of the Company.

Members of the liquidation committee shall discharge their liquidation duties with a duty of loyalty and diligence.

Where members of the liquidation committee neglect their liquidation duties and thereby cause loss to the Company, they shall bear liability for compensation; where they cause loss to creditors through willful misconduct or gross negligence, they shall bear liability for compensation.

Where the Company is declared bankrupt in accordance with the law, the bankruptcy liquidation shall be carried out in accordance with the relevant laws on enterprise bankruptcy.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company shall amend the Articles of Association under any of the following circumstances:

(1) there is a discrepancy between the provisions of the Articles of Association and those of the laws and administrative regulations after amendments to the Company Law or relevant laws and administrative regulations;

(2) there are changes in the situation of the Company resulting in inconsistency in relation to that mentioned in the Articles of Association;

(3) the shareholders' meeting resolves to amend the Articles of Association.

If the amendments upon the resolutions of shareholders' meeting are subject to approval by the competent authorities, such amendments shall be submitted to such competent authority for approval; if registration is necessary for the amendments, such registration shall be carried out in compliance with the relevant laws.

The Board of Directors shall amend these Articles of Association in accordance with the resolution of the shareholders' meeting to amend the Articles of Association and the approval opinions of the relevant competent authorities.

1. FURTHER INFORMATION ABOUT OUR GROUP

Incorporation

The predecessor of our Company, Jiangsu Silicon Integrity Semiconductor Technology Ltd.* (江蘇芯德半導體科技有限公司) was established in the PRC on September 11, 2020 with limited liability. On June 27, 2024, our Company was converted from a limited liability company into a joint stock limited liability company in accordance with applicable PRC laws and regulations and renamed as Jiangsu Silicon Integrity Semiconductor Technology Co., Ltd. (江蘇芯德半導體科技股份有限公司). Our Company's name has been changed from Jiangsu Silicon Integrity Semiconductor Technology Co., Ltd. to Jiangsu Xinde Semiconductor Technology Co., Ltd. on October 15, 2026. Our registered office is located at No. 8 Linchun Road, Pukou Economic Development Zone, Pukou District, Nanjing, PRC.

We have established a place of business in Hong Kong at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong and were registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance on October 24, 2025. Ms. Ye Jiahong (葉嘉紅) of TMF Hong Kong Limited has been appointed as the authorized representative of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong. The address for service of process on our Company in Hong Kong is the same as our principal place of business in Hong Kong as set out above.

As our Company was established in the PRC, we are subject to relevant laws and regulations of the PRC. A summary of the relevant aspects of laws and regulations of the PRC and our Articles of Association is set out in "Regulations" and Appendix V to this prospectus, respectively.

Changes in Share Capital of Our Company

Save as disclosed in "History, Development and Corporate Structure", there has been no alteration in the share capital of our Company within two years immediately preceding the date of this Prospectus.

Changes in Share Capital of Our Subsidiary

Our subsidiary is set out in the Accountants' Report, see "Appendix I — Accountants' Report". Save for the subsidiary mentioned in "Appendix I — Accountants' Report", our Company has no other subsidiary. Save as disclosed above and in "History, Development and Corporate Structure", there are no other alteration in registered capital of our subsidiary within the two years immediately preceding the date of this document.

Resolutions Passed by Our Shareholders

At the extraordinary general meeting of our Company held on October 13, 2025, among other things, the following resolutions were passed by the Shareholders:

(i) the issue of H Shares with a nominal value of RMB1.00 each and the listing of such H Shares on the Stock Exchange;

(ii) the number of H Shares to be issued pursuant to the Global Offering, and the grant to the underwriters (or their representatives) of the over-allotment option of not more than 15% of the number of H Shares issued pursuant to the Global Offering;

(iii) subject to the completion of filing with the CSRC, upon completion of the Global Offering, 693,909,187 Unlisted Shares in aggregate held by our Shareholders will be converted into H Shares on a one-for-one basis;

(iv) subject to the completion of the Global Offering, the Articles of Association have been approved and adopted, which shall become effective on the Listing Date, and our Board has been authorized to amend the Articles of Association to the extent necessary in accordance with any comments from the relevant regulatory authorities; and

(v) approving the Board and person(s) authorized by the Board to handle all matters relating to, among other things, the issue and the Listing of H Shares on the Stock Exchange.

Reorganization

We have not gone through any corporate reorganization for the purpose of the Global Offering. For details of the history and development of our Company, see "History, Development and Corporate Structure."

2. FURTHER INFORMATION ABOUT OUR BUSINESS

Summary of our Material Contracts

We have entered into the following contract (not being a contract entered into in the ordinary course of business) within two years immediately preceding the date of this prospectus that are or may be material:

(i) the Hong Kong Underwriting Agreement;

(ii) the cornerstone investment agreement dated October 29, 2026, entered into among the Company, GF Fund Management Co., Ltd. (廣發基金管理有限公司) and Huatai Financial Holdings (Hong Kong) Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of US$15.00 million;

(iii) the cornerstone investment agreement dated October 29, 2026, entered into among the Company, Guohui (HK) Holdings Co., Limited (國惠(香港)控股有限公司) and Huatai Financial Holdings (Hong Kong) Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of US$10.00 million; and

(iv) the cornerstone investment agreement dated October 29, 2026, entered into among the Company, Maxwell Technology Pte. Ltd. and Huatai Financial Holdings (Hong Kong) Limited, with respect to a subscription of H Shares at the Offer Price in the aggregate amount of RMB100.00 million.

Intellectual Property Rights

Trademarks

As of the Latest Practicable Date, our Group has registered the following trademarks which we consider to be or may be material to our business:

Trademark	Place of Registration	Registration No.	Class	Expiration Date
CAPiC	PRC	70402212	40	September 20, 2033
CAPiC	PRC	70095085	40	August 27, 2033
芯德	PRC	70098973	40	August 27, 2033
XD-HPFO	PRC	60091353	40	May 6, 2032
XD-HPFO	PRC	60099046	42	April 27, 2032
XD-HPFO	PRC	60085397	9	May 6, 2032
JSSISEMI	PRC	59650278	40	March 20, 2032

Trademark	Place of Registration	Registration No.	Class	Expiration Date
	PRC	59645130	40	March 13, 2032
JSSISEMI	PRC	50824487	42	August 6, 2031
JSSISEMI	PRC	50847303	9	July 6, 2031
	PRC	50828235	42	August 20, 2031
	PRC	50643245	9	October 6, 2031
	Hong Kong	307018353	9, 35, 40, 42	September 3, 2035
	Hong Kong	307018371	9, 35, 40, 42	September 3, 2035

Domain Names

As of the Latest Practicable Date, we have registered or been authorized to use the following domain names which we consider to be material in relation to our business:

Domain Name	Registered Owner	Expiry Date
jssisemi.com.cn	Company	January 27, 2033
jssisemi.com	Company	September 28, 2032
jssisemi.cn	Company	November 4, 2032

Copyrights

As of the Latest Practicable Date, our Group has registered the following copyrights which we consider to be or may be material to our business:

Copyright Name	Place of Registration	Registration No.	Date of first publication
Onboarding Assessment Management System (上崗考核管理系統)	PRC	2023SR0743250	June 28, 2023
WMS (Warehouse Management System) (WMS倉庫管理系統)	PRC	2023SR0421217	March 30, 2023
Abnormality Detection and Classification System (異常偵測與分類系統)	PRC	2022SR1341662	September 2, 2022
Statistical Process Control (SPC) System (統計過程控制系統)	PRC	2021SR1591735	October 29, 2021
Quality Abnormality Handling System (品質異常處理系統)	PRC	2021SR1553839	October 25, 2021

Copyright Name	Place of Registration	Registration No.	Date of first publication
Photomask Management System (光罩掩膜版管理系統)	PRC	2021SR1532382	October 20, 2021
Electronic Maintenance System (電子化保養系統)	PRC	2021SR1534638	October 20, 2021
Equipment Automation Operation Control System (設備自動化作業控制系統)	PRC	2021SR1342437	September 8, 2021
Xinde Equipment Program Management System (芯德設備程序管理系統)	PRC	2021SR0881304	June 11, 2021

Patents

As of the Latest Practicable Date, our Group has registered the following patents which we consider to be or may be material to our business:

Patent	Place of Registration	Application Number	Owner	Type	Application Date
A Heating Strip Tightening Device for a Vacuum Packaging Machine (一種真空包裝機的加熱條收緊裝置)	PRC	CN202422227269.5	Company	Utility Model	September 11, 2024
A Double-sided Packaging Hybrid Chip Structure of a Through-hole Substrate (一種通孔基板的雙面封裝混合芯片結構)	PRC	CN202422489687.1	Company	Utility Model	October 15, 2024
A Flip-chip Adsorption Device (一種倒裝芯片吸附裝置)	PRC	CN202422232500.X	Company	Utility Model	September 12, 2024
A Flip-chip Packaging Structure with Attached Heat Dissipation Cap (一種貼散熱蓋的倒裝芯片封裝結構)	PRC	CN202422356795.1	Company	Utility Model	September 26, 2024
A High-density Stacked Packaging Structure Integrating Capacitor and PMIC Chip, and Its Packaging Method (一種集成電容與PMIC芯片的高密度堆疊封裝結構及封裝方法)	PRC	CN202510652690.7	Company	Invention Patent	May 21, 2025
A Packaging Structure of a Filter Module and Its Manufacturing Method (一種濾波器模組的封裝結構及其製造方法)	PRC	CN202211122369.0	Company	Invention Patent	September 15, 2022

Patent	Place of Registration	Application Number	Owner	Type	Application Date
An Automatic Positioning Cassette Dimension Platform Device (一種自動定位片匣尺寸平台裝置)	PRC	CN202422389076.X	Company	Utility Model	September 29, 2024
A Wafer Positioning Jig (一種晶圓定位治具)	PRC	CN202420650159.7	Company	Utility Model	April 01, 2024
A Semiconductor Packaging Structure with Dual Package Bodies (一種具有雙封裝體的半導體封裝結構)	PRC	CN202422721183.8	Company	Utility Model	November 08, 2024
A Circuit Control Chip Packaging Structure (一種電路控制芯片封裝結構)	PRC	CN202422150192.6	Company	Utility Model	September 02, 2024
A Method to Prevent Delamination in Embedded Chip-level Ball Grid Array Bonding Process (一種嵌入式晶片級球柵陣列鍵合工藝中避免分層的方法)	PRC	CN202510541161.X	Company	Invention Patent	April 28, 2025
An Ultra-narrow Pitch PI Layer Opening Method and Semiconductor Packaging Structure (一種超窄間距PI層開口方法及半導體封裝結構)	PRC	CN202210549652.5	Company	Invention Patent	May 20, 2022
A Jig for Measuring the Height of Wafer Stage and Probe Cap (一種測量晶圓工作台與頂針帽高度的治具)	PRC	CN202422222993.9	Company	Utility Model	September 10, 2024
An Automated Wiring Drawing Design Software System and Design Method (一種佈線圖紙設計自動化軟件系統及設計方法)	PRC	CN202111663523.0	Company	Invention Patent	December 30, 2021
A Jig for Comprehensive Inspection of Semiconductor Packaging Products (一種全方位檢測半導體封裝產品的治具)	PRC	CN202421662953.X	Company	Utility Model	July 12, 2024
A Movable Material Hopper for Heat Dissipation Cap (一種散熱蓋活動料倉)	PRC	CN202421843754.9	Company	Utility Model	July 31, 2024

Patent	Place of Registration	Application Number	Owner	Type	Application Date
A Portable Chip Transport Basket (一種便攜式芯片運輸提籃).	PRC	CN202421750611.3	Company	Utility Model	July 23, 2024
A Bump Height Measurement Method for Wafer Surface with Re-passivation Layer (一種晶圓表面具有再鈍化層的凸塊高度測量方法).	PRC	CN202211695534.1	Company	Invention Patent	December 28, 2022
A Fan-out Type Chip Packaging Structure (一種扇出型芯片封裝結構).	PRC	CN202420814100.7	Company	Utility Model	April 18, 2024
An Ultra-thin Chip Carrier and Its Chip Packaging Structure and Packaging Method (一種芯片超薄封裝載板及芯片封裝結構和芯片封裝方法)	PRC	CN202210485627.5	Company	Invention Patent	May 06, 2022
A Device for Fixing Adhesive Film on a Mounting Ring (一種對貼片環固定膠膜的裝置).	PRC	CN202420650143.6	Company	Utility Model	April 01, 2024
A Chip Structure and Its Bare Chip Packaging Structure for Improving Glue Overflow (一種改善溢膠的芯片結構及其裸露芯片封裝結構) . . .	PRC	CN202420321053.2	Company	Utility Model	February 20, 2024
An Automatic Clamping Device for Electroplating Wire Conductive Blocks (一種電鍍線導電塊自動夾緊裝置)	PRC	CN202421398686.X	Company	Utility Model	June 19, 2024
A TCB Porous Placement Tool (一種TCB多孔放置工具)	PRC	CN202421371175.9	Company	Utility Model	June 17, 2024
A Front-side Protected Wafer-level Chip Packaging Structure (一種正面保護的晶圓級芯片封裝結構).	PRC	CN202420816705.X	Company	Utility Model	April 18, 2024
A Chip Packaging Structure (一種芯片封裝結構)	PRC	CN202421242815.6	Company	Utility Model	June 03, 2024

Patent	Place of Registration	Application Number	Owner	Type	Application Date
A Guide Post for Electroplating Machine Chuck (一種電鍍機卡盤導向柱)	PRC	CN202420501114.3	Company	Utility Model	March 15, 2024
A Chip Stacked Packaging Structure (一種芯片疊層封裝結構)	PRC	CN202420494637.X	Company	Utility Model	March 14, 2024
A Chip Suction Nozzle and Its Comprising Chip Soldering Device (一種芯片吸嘴及其組成的芯片焊接裝置)	PRC	CN202420485417.0	Company	Utility Model	March 13, 2024
A Drop-resistant Material Device and Its Comprising Wire Bonding Machine (一種防摔料裝置及其組成的連線機)	PRC	CN202323367008.5	Company	Utility Model	December 11, 2023
A Wire Bonding Machine Quick Cooling Device (一種焊線機台快速冷卻裝置)	PRC	CN202421058949.2	Company	Utility Model	May 15, 2024
A Packaging Structure Enhancing Heat Dissipation of Flip-chip Square Flat No-lead Products (一種提高倒裝方形扁平無引腳封裝產品散熱性的封裝結構)	PRC	CN202420002729.1	Company	Utility Model	January 02, 2024
A Silver-plated Frame to Prevent Die-attached Glue Overflow and Its Comprising Packaging Structure (一種防止晶粒黏貼膠溢出的鍍銀框架及其組成的封裝結構)	PRC	CN202420036907.2	Company	Utility Model	January 08, 2024
A Single-chip Product Carrier Positioning and Inspection Device (一種單顆芯片產品載具定位檢測裝置)	PRC	CN202421150985.1	Company	Utility Model	May 24, 2024
An Automatic Magazine Inspection Device (一種自動檢驗彈夾裝置)	PRC	CN202420300156.0	Company	Utility Model	February 19, 2024
A Heating Platform Device Suitable for Bottom Fill (一種適用於底部填充的加熱平台裝置)	PRC	CN202420188709.8	Company	Utility Model	January 26, 2024

Patent	Place of Registration	Application Number	Owner	Type	Application Date
An Ultrasonic Scanning Carrier Stage and Focal Length Quick Determination Method (一種超聲波掃描載具台及焦距快速確定方法). .	PRC	CN202211131176.1	Company	Invention Patent	September 16, 2022
A Chip Stacking Structure with Dual Wiring Layers (一種包含雙重佈線層的芯片堆疊結構).	PRC	CN202421054470.1	Company	Utility Model	May 15, 2024
A Fan-out Wafer-level Packaging Structure for MEMS Chip Interconnection (一種實現MEMS芯片互聯的扇出型晶圓級封裝結構). .	PRC	CN202421024469.4	Company	Utility Model	May 11, 2024
A Photolithography Plate Protective Film Application Jig (一種光刻版保護膜貼膜治具). .	PRC	CN202420754611.4	Company	Utility Model	April 12, 2024
A Material Jam Prevention Device for Sorting Machine (一種分選機防卡料裝置) . . .	PRC	CN202323529869.9	Company	Utility Model	December 25, 2023
A Ring Silver-plated Frame Improving Die-attached Film Delamination (一種改善晶粒黏貼膜分層的環鍍銀框架)	PRC	CN202323529848.7	Company	Utility Model	December 25, 2023
A Sputtering Process Stability Evaluation Method (一種濺射工藝穩定性評估方法)	PRC	CN202211696268.4	Company	Invention Patent	December 28, 2022
A UV Film Scoring Device (一種UV膜劃膜裝置)	PRC	CN202420821820.6	Company	Utility Model	April 19, 2024
An Arc-prevention Device for Plasma Cleaning Machines (適用於等離子清洗機的防電弧產生裝置)	PRC	CN202420565134.7	Company	Utility Model	March 22, 2024
An Automatic Cleaning Device for Flip-chip Machine Steel Nozzles (一種倒裝機鋼嘴頭的自動清潔裝置).	PRC	CN202420050924.1	Company	Utility Model	January 09, 2024

Patent	Place of Registration	Application Number	Owner	Type	Application Date
A Reflow Oven Capable of Preventing Misalignment (一種能夠預防回流偏移的回流機)	PRC	CN202323575466.8	Company	Utility Model	December 27, 2023
A Quick Coordinate Tray Identification Device (一種快速識別坐標託盤)	PRC	CN202420772165.X	Company	Utility Model	April 15, 2024
A Packaging Structure for Reducing Thickness of Flip-chip Products (減薄倒裝產品厚度的封裝結構)	PRC	CN202322628825.5	Company	Utility Model	September 26, 2023
A Wafer Cutting Blade (一種晶圓切割刀片)	PRC	CN202420501123.2	Company	Utility Model	March 15, 2024
A Hanging-type Electroplating Machine Cleaning Tank (一種掛鍍式電鍍機清洗槽)	PRC	CN202420378456.0	Company	Utility Model	February 29, 2024
An Adaptive Multi-thickness Plastic Encapsulation Mold (一種自適應多種厚度塑封模具)	PRC	CN202420334682.9	Company	Utility Model	February 23, 2024
A Heat Dissipation Cap Enhancing FCBGA Packaging Flatness and Its Comprising Packaging Structure (一種提高FCBGA封裝平整度的散熱蓋及其組成的封裝結構)	PRC	CN202323459970.1	Company	Utility Model	December 19, 2023
A Heat Dissipation Cap Capable of Improving Packaging Flatness (一種能夠提高封裝平整度的散熱蓋)	PRC	CN202323327111.7	Company	Utility Model	December 07, 2023
A Pickup Nozzle Link for Ultra-thin Chip Tape-and-reel Application (一種應用於超薄芯片編帶的撿取吸嘴連桿)	PRC	CN202420019775.2	Company	Utility Model	January 04, 2024
A Packaging Structure and Packaging Method with Heat Dissipation and Electromagnetic Shielding Functions (一種具有散熱和電磁屏蔽功能的封裝結構及封裝方法)	PRC	CN202411018538.5	Company	Invention Patent	July 29, 2024

Patent	Place of Registration	Application Number	Owner	Type	Application Date
A Frame for Flip-chip Packaging Structure and Its Chip Packaging Structure (一種倒裝芯片封裝結構用框架及其芯片封裝結構)	PRC	CN202323499007.6	Company	Utility Model	December 21, 2023
An Extra-large Heat Dissipation Cap and Semiconductor Packaging Structure Using the Cap (一種超大尺寸的散熱蓋及使用散熱蓋的半導體封裝結構)	PRC	CN202323393783.8	Company	Utility Model	December 12, 2023
A Vertical Mixed Chip Packaging Structure (一種垂直混裝芯片封裝結構)	PRC	CN202323494085.7	Company	Utility Model	December 21, 2023
A Packaging Structure Containing High, Medium, and Low-density Chips (一種含高中低密度芯片的封裝結構)	PRC	CN202323299000.X	Company	Utility Model	December 04, 2023
A Novel Substrate Vacuum Pad (一種新型基板真空墊塊)	PRC	CN202323171190.7	Company	Utility Model	November 23, 2023
A Packaging Structure with Electromagnetic Shielding Function (具有電磁屏蔽功能的封裝結構)	PRC	CN202322979032.8	Company	Utility Model	November 03, 2023
A Novel Glue Weight Measuring Cup (一種新型測量膠重量杯)	PRC	CN202323010782.0	Company	Utility Model	November 08, 2023
A CVS Analyzer Liquid Addition Device (一種CVS分析儀加液裝置)	PRC	CN202322933567.1	Company	Utility Model	October 31, 2023
A Filtering Device for Wafer Cleaning Applications (一種應用於晶圓清洗的過濾裝置)	PRC	CN202322892332.2	Company	Utility Model	October 26, 2023
A Substrate-free High-density Packaging Structure (無基板高密度封裝結構)	PRC	CN202322551223.4	Company	Utility Model	September 19, 2023

Patent	Place of Registration	Application Number	Owner	Type	Application Date
A Wafer, Chip, and Semiconductor Packaging Structure with Electromagnetic Shielding (具有電磁屏蔽結構的晶圓、芯片以及半導體封裝結構) . . .	PRC	CN202322982058.8	Company	Utility Model	November 03, 2023
A QFN Product Automatic Film Stripping Device for Injection Molding Machine (一種QFN產品注塑機台自動脫膜裝置).	PRC	CN202323272285.8	Company	Utility Model	December 01, 2023
A Device for Even Distribution of Powder Resin in Injection Molding Equipment (一種讓注塑設備粉末樹脂均勻鋪撒的裝置)	PRC	CN202322933466.4	Company	Utility Model	October 31, 2023
A Cooling Device Suitable for Test Boards on Test Machines (一種適用於測試機上測試板的降溫裝置).	PRC	CN202322895174.6	Company	Utility Model	October 27, 2023
A Photoelectric Sensor Packaging Structure and Preparation Method (光電傳感器封裝結構及其製備方法)	PRC	CN202310716516.5	Company	Invention Patent	June 16, 2023
A Pentagon Adjuster Device for Calibrating Flat-edge Wafers (一種可實現平邊晶圓校準的五角調整器裝置)	PRC	CN202322768471.4	Company	Utility Model	October 16, 2023
A Face-to-face Chip Packaging Structure with High Copper Pillar Stack (一種高銅柱堆疊的面對面芯片封裝結構).	PRC	CN202322982231.4	Company	Utility Model	November 03, 2023
A Flip-chip Backside Redistribution Packaging Structure (一種倒裝芯片背面重佈線封裝結構)	PRC	CN202323025109.4	Company	Utility Model	November 09, 2023
A Method for Automatically Controlling Defective Chips on Wafer Maps (一種自動卡控晶圓圖譜上缺陷芯片的方法) . . .	PRC	CN202410268468.2	Company	Invention Patent	March 11, 2024

Patent	Place of Registration	Application Number	Owner	Type	Application Date
A Chip Encapsulation Mold and Its Secondary Encapsulation Process (一種芯片塑封模具及其二次塑封工藝方法) . . .	PRC	CN202111372272.0	Company	Invention Patent	November 18, 2021
A Dual-target Magnetron Sputtering Reaction Chamber (一種雙靶材磁控濺射反應腔室)	PRC	CN202322668547.6	Company	Utility Model	September 28, 2023
A Microscope Limiting Device (一種顯微鏡限位裝置)	PRC	CN202322599959.9	Company	Utility Model	September 25, 2023
A Potentiometric Titrator Electrode Fixing Device (一種電位滴定儀電極固定裝置)	PRC	CN202322436459.3	Company	Utility Model	September 08, 2023
A Flip-chip Defective Solder Detection Device (一種倒裝產品虛焊的檢測裝置)	PRC	CN202322245390.6	Company	Utility Model	August 21, 2023
A Universal Tray for Laser Printing Equipment (一種激光打印設備託盤通用載具) . .	PRC	CN202322565333.6	Company	Utility Model	September 21, 2023
A Wafer Cleaning Chamber Preventing Wafer Fly-off (一種防晶圓甩飛的清洗腔) . . .	PRC	CN202322418482.X	Company	Utility Model	September 06, 2023
A Multi-die High-density Packaging Structure (多芯粒高密度封裝結構) . .	PRC	CN202322272707.5	Company	Utility Model	August 23, 2023
A Release Film (一種離型膜)	PRC	CN202321124902.7	Company	Utility Model	May 09, 2023
A Wafer-level Ultra-thin Quad Flat No-lead Chip Packaging Method and Chip Packaging Structure (一種晶圓級超薄四邊無引腳芯片封裝方法及芯片封裝結構)	PRC	CN202311528044.7	Company	Invention Patent	November 16, 2023
An Automatic Batch Device for Electroplating Line Loading and Unloading (適用於電鍍線自動上下料的自動分批裝置) . . .	PRC	CN202322211007.5	Company	Utility Model	August 17, 2023
A Substrate Baking Fixing Device (一種基板烘烤固定裝置)	PRC	CN202322047551.0	Company	Utility Model	August 01, 2023

Patent	Place of Registration	Application Number	Owner	Type	Application Date
A Device for Quickly Inspecting the Water Pipe Status of a Dicing Saw Blade Holder (一種可供劃片設備快速檢測刀架水管狀態的裝置)	PRC	CN202321296802.2	Company	Utility Model	May 26, 2023
A Wafer-level Fan-out Packaging Structure with Heterogeneous Adhesive and Its Packaging Method (一種具有異質膠材的晶圓級扇出型封裝結構及其封裝方法)	PRC	CN202311316007.X	Company	Invention Patent	October 12, 2023
A Cutting Method for Silicon Substrate Gallium Nitride Wafers (一種矽襯底氮化鎵晶圓的切割方法)	PRC	CN202311294713.9	Company	Invention Patent	October 09, 2023
A Method and System for Merging and Distributing Maps of Multiple Chips on a Wafer (一種晶圓中多種芯片的圖譜合併、分發方法及系統)	PRC	CN202311316332.6	Company	Invention Patent	October 12, 2023
A Cutting Blade for Wettable Flank Products (一種應用於可潤濕側翼產品的切割刀片)	PRC	CN202321530807.7	Company	Utility Model	June 15, 2023
A Cutting Blade for Solder-framed Pins (管腳側面上錫框架產品的切割刀片)	PRC	CN202321131390.7	Company	Utility Model	May 11, 2023
A Process Method for Exposure Alignment in Multi-layer High-density Packaging (一種多層高密度封裝中曝光對位的工藝方法)	PRC	CN202311009444.7	Company	Invention Patent	August 11, 2023
A Chip Pickup Head and Adapted Mounting Base and Installation Device (一種吸片頭及適配的安裝座、安裝裝置)	PRC	CN202320994667.2	Company	Utility Model	April 27, 2023
A Wafer Fixing Carrier (一種晶圓固定載具)	PRC	CN202321268159.2	Company	Utility Model	May 24, 2023

Patent	Place of Registration	Application Number	Owner	Type	Application Date
A Pusher Foolproof Mechanism for Punching Mold (一種沖切模具推桿防呆機構). .	PRC	CN202320994633.3	Company	Utility Model	April 27, 2023
A Shaped Heat Dissipation Cap and Semiconductor Packaging Structure Using the Cap (一種異形散熱蓋及使用異形散熱蓋的半導體封裝結構).	PRC	CN202320881740.5	Company	Utility Model	April 19, 2023
An Automatic Optical Inspection Pad Width Adjustment Device (自動光學檢測墊塊寬度調節裝置)	PRC	CN202320319353.2	Company	Utility Model	February 24, 2023
A Chip Protection Packaging Structure (一種芯片保護封裝結構). .	PRC	CN202320326250.9	Company	Utility Model	February 27, 2023
A QFN Packaging Structure Reducing Heat Conduction to PCB and Its Preparation Method (一種減少對PCB板熱傳導的QFN封裝結構及其製備方法). .	PRC	CN202310432274.7	Company	Invention Patent	April 21, 2023
A QR Code Reading Device Suitable for Semiconductor Packaging (適用於半導體封裝的二維碼讀取裝置).	PRC	CN202320921973.3	Company	Utility Model	April 23, 2023
A Substrate Structure Reducing Overflow (一種減少溢料的基板結構).	PRC	CN202320409274.0	Company	Utility Model	March 02, 2023
A Packaging Structure Optimizing Film Coverage of Filter Products (一種能夠優化濾波器產品覆膜效果的封裝結構)	PRC	CN202320701933.8	Company	Utility Model	April 03, 2023
A Wafer-level Fan-out Packaging Structure Using Silicon-based Support and Its Preparation Method (使用矽基支撐結構的晶圓級扇出型封裝結構及其製備方法)	PRC	CN202310433234.4	Company	Invention Patent	April 21, 2023

Patent	Place of Registration	Application Number	Owner	Type	Application Date
A Rework Method for Wafer-level Packaging (一種晶圓級封裝的再處理方法)	PRC	CN202310431692.4	Company	Invention Patent	April 21, 2023
An Automatic Electroplating Solution Titration Device (電鍍液自動滴定裝置)	PRC	CN202223606117.3	Company	Utility Model	December 31, 2022
A Sandwich-type Packaging Structure for High-pressure Flip-chip (一種耐高壓倒裝芯片的三明治型封裝結構)	PRC	CN202320223721.3	Company	Utility Model	February 15, 2023
A Universal Metal Nozzle Structure for Flip-chip Machines (通用的倒裝機的金屬吸嘴結構)	PRC	CN202320859392.1	Company	Utility Model	April 18, 2023
A Method for Automatically Identifying and Removing Excess Solder Balls on Wafer Maps (一種自動識別晶圓圖紙上多餘錫球及去除多餘錫球的方法)	PRC	CN202310410906.X	Company	Invention Patent	April 18, 2023
A Wafer Testing Device and Its Testing System (一種測試晶圓及其測試系統)	PRC	CN202223520092.5	Company	Utility Model	December 28, 2022
A Chip Peeling Negative Pressure Heating Platform (芯片剝離負壓加熱平台)	PRC	CN202223600004.2	Company	Utility Model	December 30, 2022
A Chip Conductive Pillar (芯片導電柱)	PRC	CN202223400104.0	Company	Utility Model	December 16, 2022
A Coated Multi-metal Conductive Bump Structure (包覆型多金屬導電凸塊結構)	PRC	CN202221949012.5	Company	Utility Model	July 26, 2022
A Wafer Cutting Blade (晶圓切割刀片)	PRC	CN202223111526.6	Company	Utility Model	November 22, 2022
An Electroplating Machine Connection Wire Joint (電鍍機連接線接頭)	PRC	CN202223197621.2	Company	Utility Model	November 30, 2022
A Blocking-type Wide-mouth Dispensing Valve (一種阻斷式寬口點膠閥)	PRC	CN202223112230.6	Company	Utility Model	November 23, 2022
A Packaging Structure of a Filter Module (濾波器模組的封裝結構)	PRC	CN202222463835.3	Company	Utility Model	September 15, 2022

Patent	Place of Registration	Application Number	Owner	Type	Application Date
A Device Improving Post-packaging Product Warpage (一種封裝後線改善產品翹曲的裝置). .	PRC	CN202222513767.7	Company	Utility Model	September 22, 2022
A Vacuum Suction Jig Preventing Post-packaging Warpage in Reflow Process (一種封裝後線回流防翹曲真空吸附治具)	PRC	CN202222583938.3	Company	Utility Model	September 28, 2022
A Wafer Flip Device (晶圓倒片裝置).	PRC	CN202222848908.0	Company	Utility Model	October 27, 2022
A Fully Automatic Mesh Plate Cleaning Machine (全自動網板清洗機) . .	PRC	CN202222446928.5	Company	Utility Model	September 15, 2022
A Mold Flow Balancing Structure for Semiconductor Plastic Encapsulation Molds (半導體塑封模具的模流平衡結構)	PRC	CN202222479551.3	Company	Utility Model	September 19, 2022
A Device Preventing Post-packaging Warpage in Reflow Process (一種封裝後線回流防翹曲裝置).	PRC	CN202221986949.X	Company	Utility Model	July 29, 2022
A Foolproof Device Automatically Adjusting Product Position (自動調整產品位置的防呆裝置).	PRC	CN202222656709.X	Company	Utility Model	October 09, 2022
An Integrated Circuit Chip Packaging Structure (集成電路芯片封裝結構).	PRC	CN202222504241.2	Company	Utility Model	September 21, 2022
A Ball-loading Cleaning Device (一種植球裝載清潔裝置)	PRC	CN202222159352.4	Company	Utility Model	August 16, 2022
A Chip Packaging Method and Structure with High-density Interconnection Layer (一種具有高密度連接層的芯片封裝方法及其芯片封裝結構).	PRC	CN202211179108.2	Company	Invention Patent	September 27, 2022
A Flip-chip Packaging Structure (倒裝芯片封裝結構)	PRC	CN202222063451.2	Company	Utility Model	August 05, 2022

Patent	Place of Registration	Application Number	Owner	Type	Application Date
A Multi-turn Groove Frame Preventing Delamination and Its Chip Packaging Structure (一種可實現防止分層的多圈凹槽框架及其芯片封裝結構)	PRC	CN202221011731.2	Company	Utility Model	April 28, 2022
A Random Sampling Foolproof Device (一種抽檢防呆裝置)	PRC	CN202221958896.0	Company	Utility Model	July 27, 2022
A System Preventing Reverse Material Box Clamping (一種可防反料盒夾取系統)	PRC	CN202123287634.4	Company	Utility Model	December 24, 2021
A Fully Automatic Backside Adhesive Wafer Cleaning Device (一種背膠全自動擦片設備)	PRC	CN202222197408.5	Company	Utility Model	August 19, 2022
A Fully Automatic Solder Ball and Flux Feeding Cabinet (全自動錫球焊劑供料櫃)	PRC	CN202221613513.6	Company	Utility Model	June 23, 2022
A Wafer Marking Printing Auxiliary Jig (一種晶圓刻號打印輔助治具)	PRC	CN202221950431.0	Company	Utility Model	July 27, 2022
A Wafer-level Chip Packaging Structure with Enhanced Adhesion (一種增強結合力的晶圓級芯片封裝結構)	PRC	CN202221511859.5	Company	Utility Model	June 16, 2022
A Fully Automatic Random Sampling Device (一種全自動抽檢器)	PRC	CN202221524956.8	Company	Utility Model	June 17, 2022
A Foolproof Accessory (一種防呆配件)	PRC	CN202221943994.7	Company	Utility Model	July 26, 2022
A Contact-sensing Type Placement Machine Pad Structure (一種接觸感應式貼片機墊塊結構)	PRC	CN202221210823.3	Company	Utility Model	May 18, 2022
A Chip Packaging Structure Increasing Heat Dissipation and Electromagnetic Shielding (一種增加散熱提升電磁屏蔽的芯片封裝結構)	PRC	CN202221608099.X	Company	Utility Model	June 24, 2022

Patent	Place of Registration	Application Number	Owner	Type	Application Date
A Packaging Frame Reducing Cross-line Spacing for Wire Bonding (一種可減少跨線增大打線空間的封裝框架)	PRC	CN202221488597.5	Company	Utility Model	June 14, 2022
A Packaging Substrate Structure (一種封裝基板結構)	PRC	CN202221530359.6	Company	Utility Model	June 17, 2022
A QFN Packaging Structure Fixing Device (一種QFN封裝結構的固定裝置)	PRC	CN202220386403.4	Company	Utility Model	February 24, 2022
A Chip Packaging Structure (芯片封裝結構).	PRC	CN202222145491.1	Company	Utility Model	August 16, 2022
A Flip-chip Packaging Structure (一種倒裝芯片封裝結構).	PRC	CN202221235259.0	Company	Utility Model	May 20, 2022
A Semiconductor Packaging Structure (半導體封裝結構)	PRC	CN202222091385.X	Company	Utility Model	August 10, 2022
A Defective-product-safe Removal Device (一種可實現次品安全去除的檢驗去次機構)	PRC	CN202221016034.6	Company	Utility Model	April 28, 2022
A Chip Packaging Structure Improving Bump and Redistribution Layer Uniformity (一種提高凸塊及再佈線層均勻性的芯片封裝結構)	PRC	CN202220876408.5	Company	Utility Model	April 15, 2022
A Lead Frame with Solid Cutting Tie Bars (一種包含實體切割連筋的引線框架)	PRC	CN202221013025.1	Company	Utility Model	April 27, 2022
A Package Structure without Island Frame (一種無基島框架的封裝結構)	PRC	CN202221004919.4	Company	Utility Model	April 27, 2022
A Foolproof Positioning Rack and Cutting Device Including the Rack (一種防遺忘的定位架及包括定位架的切割裝置)	PRC	CN202220677276.3	Company	Utility Model	March 24, 2022

Patent	Place of Registration	Application Number	Owner	Type	Application Date
A Wafer-level Chip Size Packaging Inspection and Reel Labeling Device (一種晶圓級晶片尺寸封裝檢驗換卷貼標裝置)	PRC	CN202220550611.3	Company	Utility Model	March 14, 2022
A Double-sided Packaging Structure (一種雙面封裝結構)	PRC	CN202220300421.6	Company	Utility Model	February 15, 2022
A Wafer-level Chip Packaging Structure (一種晶圓級芯片封裝結構)	PRC	CN202220656365.X	Company	Utility Model	March 24, 2022
A Glue Plate Structure with Filtration Function (一種可實現過濾功能的膠板結構)	PRC	CN202123082033.X	Company	Utility Model	December 09, 2021
A Lead Frame Increasing Pin Spacing (一種增加管腳間隙的引線框架)	PRC	CN202220474953.1	Company	Utility Model	March 04, 2022
A Multi-chip Filter Packaging Structure (一種多芯片濾波器封裝結構)	PRC	CN202123310071.6	Company	Utility Model	December 27, 2021
A Six-side Coated Fan-out Chip Packaging Structure (一種六面包覆的扇出型芯片封裝結構)	PRC	CN202123440565.6	Company	Invention Patent	December 31, 2021
A Multi-chip Filter Packaging Structure Based on Adapter Board (一種基於轉接板的多芯片濾波器封裝結構)	PRC	CN202123310060.8	Company	Utility Model	December 27, 2021
A Chip Packaging Structure Preventing Indium Sputtering (一種防止銦片濺射的芯片封裝結構)	PRC	CN202123391212.1	Company	Utility Model	December 31, 2021
A Chip Plastic Encapsulation Mold (一種芯片塑封模具)	PRC	CN202122843347.0	Company	Utility Model	November 18, 2021
A Lead Frame Structure (一種引線框架結構)	PRC	CN202122866577.9	Company	Utility Model	November 22, 2021
A Chip Packaging Structure with Electromagnetic Shielding (一種帶有電磁屏蔽的芯片封裝結構)	PRC	CN202122586612.1	Company	Utility Model	October 26, 2021

Patent	Place of Registration	Application Number	Owner	Type	Application Date
A High-density Fan-out Packaging Structure (一種高密度扇出封裝結構)	PRC	CN202220326220.3	Company	Utility Model	February 18, 2022
A Fan-out Packaging Method and Fan-out Packaging Structure (一種扇出封裝方法及扇出封裝結構)	PRC	CN202111352295.5	Company	Utility Model	November 16, 2021
A Multi-chip Filter Packaging Structure Based on Barrier Layer (一種基於阻隔層的多芯片濾波器封裝結構)	PRC	CN202123314330.2	Company	Utility Model	December 27, 2021
A Wafer Coating Hotplate Transfer Teaching Auxiliary Jig (晶圓塗膠熱板傳送示教輔助治具)	PRC	CN202122367486.0	Company	Utility Model	September 28, 2021

3. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUPERVISOR

Particulars of Directors' and Supervisor's Contracts and Appointment Letters

We have entered into a contract with each of our Directors and Supervisor in respect of, among other things, (i) the term of office, and (ii) termination provisions. Save as disclosed above, none of our Directors or Supervisor has or is proposed to enter into a service contract with any member of our Company other than contracts expiring or determinable by the relevant employer within one year without the payment of compensation (other than statutory compensation).

Remuneration of Directors, Supervisor and Senior Management

Save as disclosed in the section headed "Directors, Supervisor and Senior Management — Remuneration of Directors, Supervisor and Senior Management" in this prospectus, none of our Directors or Supervisor received other remuneration from our Company for each of the three years ended December 31, 2025.

Agency Fees or Commissions Received

The Underwriters will receive an underwriting commission in connection with the Underwriting Agreements, as detailed in "Underwriting — Underwriting Commissions and Listing Expenses". Save in connection with the Underwriting Agreements, no commissions, discounts, brokerages or other special terms have been granted by our Group to any person (including the Directors, promoters and experts referred to in "— Other Information — Qualifications of Experts" and "Consents of Experts" below) in connection with the issue or sale of any capital or security of our Company or any member of our Group within the two years immediately preceding the date of this Prospectus.

Within the two years immediately preceding the date of this prospectus, no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription for any share in or debentures of our Company.

Disclosure of Interests of Directors

Immediately following the completion of the Global Offering, without taking into account any Shares to be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme, save as disclosed below, none of our Directors have any interest and/or short position 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 be required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short position which they were taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules to be notified to our Company, once the Shares are listed on the Stock Exchange.

			As of the Latest Practicable Date and immediately prior to the completion of the Global Offering		Immediately after the completion of the Global Offering (without taking into account any Shares to be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme)		
Name	Positions	Nature of Interest	Number and description of Shares	Approximate percentage of interest in our Company	Number and description of Shares	Approximate percentage of interest in our Company[7]	Approximate percentage of interest in the Unlisted Shares/ H Shares (as appropriate)[7]
Mr. Zhang Guodong .	Chairman of the Board, Executive Director	Beneficial owner[1]; interest in controlled corporations[4][5]; parties acting in concert[6]	239,240,000 Unlisted Shares	24.95%	167,468,000 Unlisted Shares 71,772,000 H Shares	22.45%	63.16% 8.97%
Mr. Pan Mingdong. .	Executive Director	Beneficial owner[2]; interest in controlled corporations[4][5]; parties acting in concert[6]	239,240,000 Unlisted Shares	24.95%	167,468,000 Unlisted Shares 71,772,000 H Shares	22.45%	63.16% 8.97%
Mr. Liu Yi	Executive Director	Beneficial owner[3]; interest in controlled corporations[4][5]; parties acting in concert[6]	239,240,000 Unlisted Shares	24.95%	167,468,000 Unlisted Shares 71,772,000 H Shares	22.45%	63.16% 8.97%

Notes:

(1) As of the Latest Practicable Date, Mr. Zhang Guodong was directly interested in approximately 5.38% of the equity interest in our Company;

(2) As of the Latest Practicable Date, Mr. Pan Mingdong was directly interested in approximately 3.01% of the equity interest in our Company;

(3) As of the Latest Practicable Date, Mr. Liu Yi was directly interested in approximately 1.04% of the equity interest in our Company;

(4) As of the Latest Practicable Date, Nanjing Ningtaixin Enterprise Consulting Management Partnership (Limited Partnership)* (南京寧泰芯企業諮詢管理合夥企業(有限合夥)) ("**Ningtaixin**") was directly interested in approximately 9.49% of the equity interest in our Company. Pursuant to a limited partnership agreement governing Ningtaixin, Mr. Zhang Guodong was the general partner of Ningtaixin. As the general partner of Ningtaixin, Mr. Zhang Guodong was deemed to have *de facto* control in Ningtaixin and hence was the controller of Ningtaixin. Accordingly, Mr. Zhang Guodong is deemed to be interested in such Shares held by Ningtaixin for the purpose of the SFO;

(5) As of the Latest Practicable Date, Ningbo Meishan Bonded Port Area Ningpuxin Enterprise Management Partnership (Limited Partnership)* (寧波梅山保税港區寧浦芯企業管理合夥企業(有限合夥)) ("**Ningpuxin**") was directly interested in approximately 6.02% of the equity interest in our Company. Pursuant to a limited partnership agreement governing Ningpuxin, Mr. Zhang Guodong was the general partner of Ningpuxin. As the general partner of Ningpuxin, Mr. Zhang Guodong was deemed to have *de facto* control in Ningpuxin and hence was the controller of Ningpuxin. Accordingly, Mr. Zhang Guodong is deemed to be interested in such Shares held by Ningpuxin for the purpose of the SFO;

(6) Pursuant to the concert party agreement dated June 8, 2023 entered into by and between Mr. Zhang Guodong, Mr. Pan Mingdong, Mr. Liu Yi, Ningtaixin and Ningpuxin, the parties acknowledged that (i) they shall consult each other in respect of the decision making relating to the business operation and corporate governance of the Company and reach consensus before voting unanimously at the general meetings or board meetings of the Company, and (ii) where consensus cannot be reached between the parties, parties shall follow the instruction of Mr. Zhang Guodong. As a result, Mr. Zhang Guodong, Mr. Pan Mingdong, Mr. Liu Yi, Ningtaixin and Ningpuxin held in aggregate approximately 24.95% of the issued share capital of our Company, and are parties acting in concert. They are also considered the Single Largest Group of Shareholders of our Company; and

(7) The calculation is based on the assumption that (i) 693,909,187 Unlisted Shares will be converted into H Shares; (ii) without taking into account any Shares to be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme; and (iii) total number of Shares in issue immediately upon completion of the Global Offering will be 1,065,624,232 Shares.

Save as disclosed in "Substantial Shareholders" in this prospectus, our Directors are not aware of any other person who will, immediately following the completion of the Global Offering and the conversion of the Unlisted Shares into H Shares, have an interest and/or short position in the Shares or underlying Shares which are required to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying the rights to vote in all circumstances at the general meetings of our Company or any other members of our Company.

Disclosure of Interests of Substantial Shareholders

For information on the persons who will, immediately following the completion of the Global Offering, have interests or short positions in our Shares or underlying Shares which would be required to be disclosed to us and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, see the section headed "Substantial Shareholders".

Interests of substantial shareholder in non wholly-owned subsidiary of our Company

Our subsidiary	Registered capital	Party with 10% or more equity interest (other than members of the Group)	Approximate percentage of shareholding
Yangzhou Chiplet. . .	RMB820 million	Yangzhou Longtou Semiconductor Industry Investment Fund Partnership (Limited Partnership)* (揚州龍投芯粒半導體產業投資基金合夥企業(有限合夥))	71.95%

So far as set out above, our Directors are not aware of any persons (other than our Directors or Supervisors) who will, immediately following the completion of the Global offering, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group.

4. OTHER INFORMATION

Pre-IPO Share Option Scheme

Our Company adopted a Pre-IPO Share Option Scheme which was approved by the Shareholders on October 13, 2025. Pursuant to the Pre-IPO Share Option Scheme, up to 12,000,000 share options may be granted to eligible participants before Listing, representing 1.25% of the total share capital of our Company immediately prior to the Global Offering. The share options will be settled by the issue of H shares of the Company upon exercise, subject to compliance with the relevant requirements under the Listing Rules. The following is a summary of the principal terms of the Pre-IPO Share Option Scheme:

Purpose

The purposes of the Pre-IPO Share Option Scheme are to further improve our Company's long-term incentive mechanism, attract and retain outstanding talents, fully motivate directors, senior management, key management personnel, and core technical or business staff, effectively align the interests of shareholders, our Company, and the core team, and promote the sustainable development of our Company in accordance with the principle of "returns commensurate with contributions."

Eligible Participants

Persons eligible to participate in the Pre-IPO Share Option Scheme (the "**Participants**") include directors, senior and key management personnel, core technical and business staff, and other employees who have made or are expected to make significant contributions to the growth and development of our Company, as well as other employees deemed necessary by the Board to be included in the Pre-IPO Share Option Scheme. A total of 38 Participants are involved in the Pre-IPO Share Option Scheme.

Administration

The approval, alteration and termination of the Pre-IPO Share Option Scheme are subject to the Shareholders' meeting. Our Board is authorized for the implementation of the Pre-IPO Share Option Scheme.

Exercise Price

The exercise price of the share options is RMB1.50 per share, which is not lower than the audited net asset value per share of the Company as of December 31, 2024. The exercise price will be adjusted in the event of capitalization issue, bonus issue, subdivision, consolidation, rights issue, or dividend distribution.

Vesting and Exercise Period

The Pre-IPO Share Option Scheme is valid for 60 months from the date of registration of the grant until all granted options have been exercised or canceled. Unexercised options will lapse automatically upon expiry of the exercise period.

The share options granted under the Pre-IPO Share Option Scheme are subject to a lock-up period of 24 months from the grant date and may be exercised in three tranches. Specifically, 30% of the options shall become exercisable from the 24th to the 36th month following the registration of the grant; 40% of the options shall become exercisable from the 36th to the 48th month; and the remaining 30% of the options shall become exercisable from the 48th to the 60th month following the registration of the grant.

Lapse

In the event of resignation, dismissal, retirement, incompetence, or breach of relevant obligations by a Participant, all Awards granted to such Participant that remain unexercised shall immediately cease to be exercisable and shall be canceled by the Company.

Details of the Options Granted

In November 2025, an aggregate of 12,000,000 share options have been granted to 38 Participants under the Scheme, representing 1.12% of the total issued share capital of our Company immediately after the Global Offering.

Details of the share options to be granted before Listing under the Pre-IPO Share Option Scheme are set out as followed:

Name	Address	Exercise Price per Share	Number of Shares underlying the outstanding options	Approximate % of issued shares immediately after completion of the Global Offering
		(RMB)		
Senior Management				
Ms. Fang Yaping (方亞萍)	Room 102, No. 66 Longxi Garden, Shishan Road, Jiangyin City, Jiangsu Province, PRC	1.5	5,590,000	0.52
Subtotal			**5,590,000**	**0.52**
Other core management and key technical staff				
Subtotal			**6,410,000**	**0.60**
Total outstanding share options			**12,000,000**	**1.12**

Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any member of our Group under the laws of the PRC.

Litigation

Save as disclosed in "Business — Legal Proceedings and Compliance — Legal Proceedings" in this document, as of the Latest Practicable Date, no member of our Group was engaged in any litigation or arbitration of material importance and, so far as our Directors are aware, no litigation or claim of material importance is pending or threatened by or against any member of our Group.

Sole Sponsor

The Sole Sponsor has made an application on our behalf to the Listing Committee of the Stock Exchange for a listing of, and permission to deal in, all the H Shares to be issued as mentioned in this Prospectus. The Sole Sponsor satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

Pursuant to the engagement letter entered into between our Company and the Sole Sponsor, we have agreed to pay the Sole Sponsor a fee of USD0.6 million to act as the sponsor of our Company in connection with the proposed listing on the Stock Exchange.

Compliance Advisor

Our Company has appointed Quam Capital Limited as its Compliance Advisor upon Listing in compliance with Rule 3A.19 of the Listing Rules.

Preliminary Expenses

Our Company did not incur material preliminary expense as of the Latest Practicable Date.

Promoters

The promoters of our Company are Xinlianxin, Nanjing Yuanjun and Ningtaixin. For details of the promoters of our Company, see "History, Development and Corporate Structure" in this Prospectus.

Save for the Global Offering and as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus, no cash, securities, amount or benefit has been paid, allotted or given, or has been proposed to be paid, allotted or given, to any of the promoters named above in connection with the Global Offering or the related transactions described in this Prospectus.

Qualifications of Experts

The qualifications of the experts which have given opinions or advice which are contained in, or referred to in, this prospectus are as follows:

Name of Expert	Qualifications
Huatai Financial Holdings (Hong Kong) Limited	A licensed corporation to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 3 (leveraged foreign exchange trading), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 7 (providing automated trading services) and Type 9 (asset management) regulated activities under the SFO
Ernst & Young	Certified Public Accountants and Registered Public Interest Entity Auditor under the Accounting and Financial Reporting Council Ordinance
Jiangsu C&T Partners Law Firm	Legal advisors to our Company as to PRC laws
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Independent industry consultant
Eversheds Sutherland	Legal advisors to our Company as to International Sanctions and Export Control laws
AllBright Law Offices	Legal advisors to our Company as to PRC intellectual property laws
Jiangsu Junbo Law Firm	Legal advisers to our Company as to PRC litigation

Consents of experts

Each of the experts as referred to in the paragraph headed "— 4. Other Information — Qualifications of Experts" in this appendix has given and has not withdrawn their respective written consents to the issue of this prospectus with the inclusion of their reports and/or letters the references to its name included herein in the form and context in which it is respectively included.

None of the experts named above has any shareholding interests in any member of our Company or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Company.

Binding Effect

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

Bilingual Prospectus

The English language and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided in Section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

No Material Adverse Change

Our Directors confirm that, up to the date of this prospectus, there has been no material adverse change in the financial or trading position or prospect of our Group since April 30, 2026 (being the date to which the latest consolidated financial statements of our Group were prepared).

Taxation of holders of H Shares

The sale, purchase and transfer of H Shares registered with our Hong Kong branch register of members will be subject to Hong Kong stamp duty. The current rate charged on each of the purchaser and seller is 0.1% of the consideration of or, if higher, of the fair value of our Shares being sold or transferred. For further details in relation to taxation, see Appendix III to this prospectus.

Miscellaneous

(i) Save as disclosed in "History, Development and Corporate Structure", within the two years preceding the date of this prospectus, no share or loan capital of our Company or any of its subsidiary has been issued or has been agreed to be issued fully or partly paid either for cash or for a consideration other than cash;

(ii) Save as disclosed in the section headed "Pre-IPO Share Option Scheme", no share or loan capital of our Company, if any, is under option or is agreed conditionally or unconditionally to be put under option;

(iii) No founder, management or deferred shares of our Company or any of its subsidiary have been issued or have been agreed to be issued;

(iv) Our Company is not presently listed on any stock exchange or traded on any trading system;

(v) Our Company has no outstanding convertible debt securities or debentures;

(vi) None of the experts listed under "— Qualifications of Experts" in this section is interested beneficially or non-beneficially in any shares in any member of our Group or has any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group save in connection with the Underwriting Agreements;

(vii) The English text of this prospectus shall prevail over their respective Chinese text;

(viii) 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; and

(ix) There is no arrangement under which future dividends are waived or agreed to be waived.

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

The documents attached to the copy of this prospectus delivered to the Registrar of Companies in Hong Kong for registration were:

(i) the written consents referred to in "Appendix VI — Statutory and General Information — Other Information — Consents of experts" in this prospectus; and

(ii) a copy of each of the material contract referred to in "Appendix VI — Statutory and General Information — Further Information about Our Business — Summary of our Material Contracts" in this prospectus.

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the website of the Stock Exchange at **www.hkexnews.hk** and our website at **www.jssisemi.cn** during a period of 14 days from the date of this prospectus:

(i) the Articles of Association;

(ii) the Accountants' Report for the years ended December 31, 2023, 2024 and 2025, and the four months ended April 30, 2026 from Ernst & Young, the text of which is set out in Appendix I to this prospectus;

(iii) 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;

(iv) the report from Ernst & Young on the unaudited pro forma financial information of our Group, the text of which is set out in Appendix II to this prospectus;

(v) the legal opinion from Jiangsu C&T Partners Law Firm (江蘇世紀同仁律師事務所), our Company's PRC Legal Advisor, in respect of certain aspects of our Company;

(vi) the legal opinion from Eversheds Sutherland, our Company's International Sanctions and Export Control Legal Advisors;

(vii) the legal opinion from AllBright Law Offices, our Company's Legal advisors as to PRC intellectual property laws;

(viii) the legal opinion from Jiangsu Junbo Law Firm, our Company's Legal advisers as to PRC litigation;

(ix) the industry report prepared by Frost & Sullivan, our Industry Consultant;

(x) the PRC Company Law, the PRC Securities Law, the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies and the Guidelines for Articles of Association together with their unofficial English translations;

(xi) the material contracts referred to in "Appendix VI — Statutory and General Information";

(xii) the written consents referred to in "Appendix VI — Statutory and General Information"; and

(xiii) the terms of the Pre-IPO Share Option Scheme.

江蘇芯德半導體科技股份有限公司

Jiangsu Xinde Semiconductor Technology Co., Ltd.